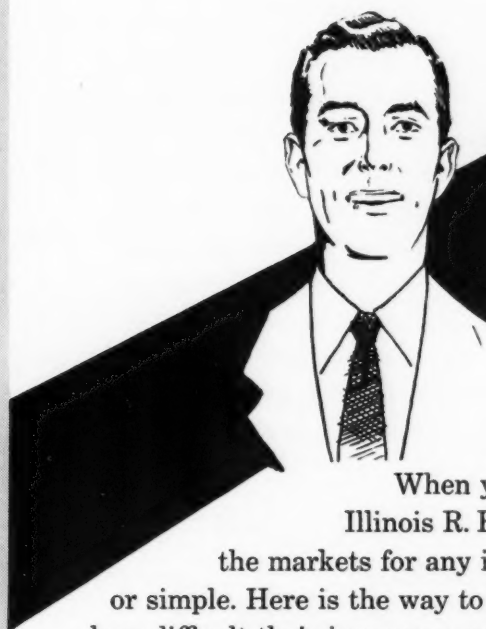


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The NATIONAL UNDERWRITER

The National Weekly Newspaper of Fire and Casualty Insurance

60th Year, No. 16
April 19, 1956

Senators' Report on Welfare Funds Causes Misgivings

Disclosure Requirement for Employer-Managed Plans Would Hike Costs

Washington legislative proposals for regulating abuses unearthed in jointly administered employer-union welfare funds have been released by the subcommittee headed by Sen. Douglas of Illinois. They include a recommendation that disclosure requirements apply not only to the jointly administered type of plan but also to the much more widely prevalent type of plan under which the employer undertakes to provide a specified level of benefits.

This would add substantially to the cost of the employer-administered type of plan, even though it was not in this category of plans that the abuses were found to exist. It is estimated that about 92% of employees covered for group insurance are under the employer-managed, level-of-benefits plan, about 7½% under jointly administered plans, and about one-half of 1% under union-administered plans.

There are other reasons why group insurers don't like the disclosure requirement for coverages bought by the employer from the insurer. The main one is that it forces disclosure of figures that are of no concern to anyone but the employer and the insurer. There may be important competitive disadvantages in letting such information get around.

The Douglas report takes the view that even though the union negotiates only the level of benefits and not the price that shall be paid for them, the employees have an interest in the money that is paid, since it is a form of compensation. Insurers say, however, that furnishing reports to millions of employees would add materially to the cost of the benefits.

There seems to be no strong objection among insurers to requiring full disclosure of all facts and figures on jointly administered plans on the ground that this would constitute an invasion of the states' insurance regulatory powers. One suggestion is that while requiring such disclosure the law might exempt disclosure for contracts made in states having at least as strict disclosure statutes as the federal law. This, it is pointed out, would encourage the states to pass laws at least equal in scope to the federal statute.

Oil Association Adds 4 to Engineering Staff

Oil Insurance Association has added four field men to its engineering staff. They are John E. Evers and Edward F. Hogan in Chicago, William F. Notzelman in New York and Edwin L. Wilson in Tulsa, Okla.

Compulsory Auto Now Law in N. Y. As Governor Signs

Gov. Harriman has signed the bill which makes compulsory automobile insurance the law in New York. Auto owners will have to show evidence of 10/20/5 bodily injury and property damage liability insurance or other financial responsibility before they get their 1957 car plates, beginning Feb. 1.

Thus what now can be termed a remarkably successful fight is over. Most of the stock company interests and all of the local, independent agency interests, stock and mutual, fought down to the wire to keep automobile insurance out of the statutorily required coverages such as workmen's compensation and compulsory disability.

The mutual companies generally opposed compulsory until it appeared that the alternative might be an unsatisfied judgment and claim fund without compulsory. They were concerned because of the danger that without compulsory and with a depression such a fund would collapse. Last December American Mutual Alliance came out publicly for an equal responsibility law, which was almost but not quite compulsory. This would have made it a violation of the motor vehicle law for the motorist to operate his car without maintaining financial responsibility. It would have eliminated the first bite.

Those in the business concede that adoption of compulsory in New York will lead to an intensified push for it in other states.

Other insurance legislation signed by the governor includes the following:

- Insurers owned or controlled by foreign governments will not be licensed unless such insurer was authorized to do business in the state

(CONTINUED ON PAGE 48)

NAIA Rocky Mountain Conference, Colorado Insurers Elect

More than 500 turned out for the banquet closing the annual Rocky Mountain Territorial Conference, held in Colorado Springs in conjunction with the twenty-fifth annual meeting of Colorado Insurers Assn., which was postponed from last fall.

Because of the dual gathering, there were two head tables, one for reference officers and the second for association officers. Commissioner Apodaca of New Mexico installed the new conference officers, including Chairman John Sackmann of Pueblo, vice-chairman Max Hursh of River-ton, Wyo., and 2nd Vice-Chairman K. H. Bair Jr. of Albuquerque. R. H. Whitfield of Wyoming, vice-chairman in 1955-56, resigned because of ill health and was succeeded by Mr. Hursh.

New officers of the Colorado association, installed by Commissioner Beery of Colorado, include President Barney Flood of Greeley, Vice-President Walker Garrott of Denver, Secretary William Talliferro of Salida and Treasurer Norman V. Cohn of Denver, re-elected.

The 1957 meetings will be held in Denver April 27-May 2, in conjunction with the midyear meeting of the NAIA.

At the banquet, P. J. Walsh of Denver, retiring president of the association, was honored for his service to the group, and Howard Hutson of Denver received an engraved plaque for his work in getting the Denver and Colorado advertising programs under way.

Among the educational activities planned by the association are an insurance caravan and the establishment of a chair at the University of

(CONTINUED ON PAGE 44)

Health Insurance Assn. of America Is Formally Organized

243 Companies on Initial Membership Roster Read at Cincinnati Meeting

By JOHN C. BURRIDGE

CINCINNATI—Health Insurance Assn. of America, the new accident and sickness insurance trade association, was organized here last week with an initial charter membership of 243 companies. The greatest sources of members were Bureau of A&H Underwriters and H&A Underwriters Conference, both of which dissolved prior to the meeting, but Health Insurance, starts with a larger membership than the conference and bureau had combined.

More than 350 registered for the meeting, including a large number of



Robert R. Neal, general manager of Health Insurance Assn. of America, and the first president of the association, E. J. Faulkner, president of Woodman Accident & Life, photographed at the organizational meeting of HIAA in Cincinnati.

representatives from other trade associations, several state insurance commissioners and representatives of non-member companies who were interested in seeing the new organization launched. Few trade associations in any line of business have started with as representative a membership and with as much momentum as HIAA. Everyone in the business is desirous of having it succeed, and there is an assurance of cooperation and help from all quarters.

It is not expected that HIAA will accomplish wonders or be able to produce anything new overnight, but it already has the prestige of being the sole organization of the A&S industry and in that capacity will be able to speak with authority in legislative matters, in dealings with commissioners and in representing the business in a public relations program. Furthermore, its membership standards make HIAA the unofficial policeman of ethical practices. Additionally, HIAA has

(CONTINUED ON PAGE 43)

Late News Bulletins . . .

(NEWS HIGHLIGHTS ON PAGE 6)

Promises Cooperation on N.Y. Compulsory

The full cooperation of automobile liability insurers is assured in making the new compulsory automobile liability insurance law workable in New York, J. Dewey Dorsett, general manager of the Assn. of Casualty & Surety Companies, said after the bill was signed by Gov. Harriman.

While the new law is the same in purpose as the Massachusetts compulsory law and various compulsory bills heretofore considered by the New York legislature, it is considerably different in its provisions, some of which must at first be considered experimental, he stated. In making the experiment a proved success, the public, the insurance companies, the superintendent and the commissioner and law enforcement officials will have to demonstrate a capacity for teamwork. Insurance companies have a stake in the success of the new law. Whatever their position with respect to the legislation before its enactment, the members of the association can be counted on for 100% cooperation, he declared.

Two New American Surety V-Ps

C. G. Eldridge, manager of the personnel department, and George M. Morrison, manager of the casualty claim department of American Surety, have been elected vice-presidents.

Mr. Eldridge started with the company at Washington, D. C., later had charge of claims at Pittsburgh and Cleveland, and was transferred to the

(CONTINUED ON PAGE 48)

N.Y. Compulsory Auto Insurance Ranks with SEUA Decision, Lemmon Tells Zone 5 of NAIC

Pertinent comments on automobile insurance following passage of the New York compulsory law were given those attending the meeting of Zone 5 of National Assn. of Insurance Commissioners in Dallas by Vestal Lemmon, general manager of National Assn. of Independent Insurers.

Terming the New York law "the most important thing to come down

the pike since the SEUA decision in 1944," Mr. Lemmon said it may even have more far reaching effects on private insurance and the public than the SEUA case.

Strictly from the industry stand point, the compulsory bill is a "two-headed monster," he said. The business is obligated to make the best of what it feels is a bad bargain in New York

state. "That is, as good citizens we've got to do everything in our power to live with 'the thing' and to provide the best possible service even though we think it's a malignant statutory affliction. This the industry can be counted on to do."

Mr. Lemmon said he shudders at the prospect that the New York decision may cause other states to enact such legislation pell-mell. Entirely aside from the ideological aspects of the matter, if the insurance business were faced with the necessity of adjusting itself to such laws in many states vir-

tually overnight, the result would be paralyzing. "But, it's not because we're afraid of a little work that we object. We are not retreating one single inch from the firing line of opposition to the principles of compulsory. However, our task in opposing such legislation elsewhere is magnified by the New York action. In 1957, when 44 legislatures will be in session—well, I think you can see the challenge that we will have on our hands. If we just have time to take one deep breath I think we can prevent a rash and feverish rush to follow New York's unfortunate example. There is no emergency, no crisis, and no reason for taking precipitate action."

By 1957, 30 years will have passed between the date when Massachusetts inflicted "compulsory" on its citizens and the date when the New York statute becomes operative January 1, 1957. It therefore isn't unreasonable to suggest that other legislatures take it slow and easy before jumping the fence. Certainly, it will take years to determine whether the New York form of compulsory is, as its proponents claim, an improvement over the Massachusetts debacle.

The insurance position in opposing the use of compulsion is strictly in the public interest, Mr. Lemmon declared. "The insurance industry gives ground to no one in its concern for the social evil of the uncompensated innocent victim of an automobile accident. Slowly but surely over the years, but at an accelerated pace since the end of World War II, the industry has brought about a diminution of that problem. And we have in suspense further plans to provide the answer via the voluntary route that would cause it to dwindle to virtual nothingness. It is a tragic thing that the compulsory program was forced politically in New York just at the time the insurance business had gotten well under way on a program that would have narrowed the gap more than any type compulsory law that could be dreamed up. We had the problem by the tail and we had a downhill pull. We were on our way to our goal of eliminating the risk meeting death or injury at the hand of a penniless and uninsured motorist. Then the New York legislature jerked the rug from under us."

Today the proportion of motorists who carry insurance "for the other fellow" runs an estimated 70 to 75% countrywide, he observed. In New York it ran more than 90%. Some 30 years ago the percentage was about 15.

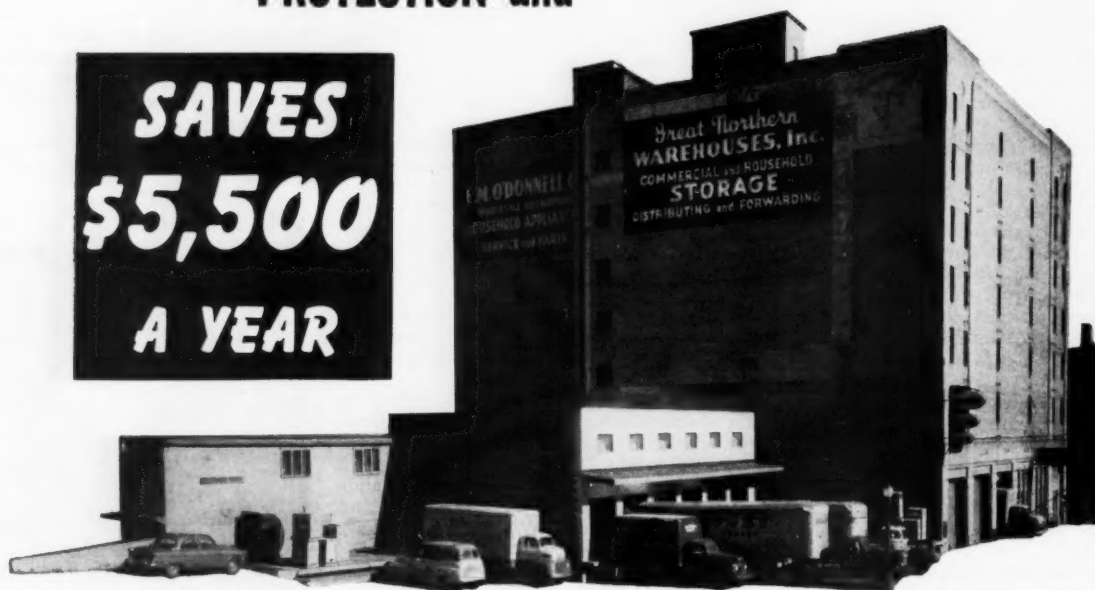
There is another aspect to this problem that would make any additional compulsory legislation in the near future even more unfortunate or untimely, he said, and that is that in many states the beneficial effects of the latest type financial responsibility law are just now on the verge of being felt. This improvement was brought about without resort to compulsion. Ironically, as the measure of the problem diminishes, the voices calling for theoretical perfection become louder and more strident.

Insurance is in the stretch in a race to abolish the problem through means that do not inject evil irritants into the political bloodstream, he added. There is a wide chasm separating outright compulsion from indirect pressures to cause persons to want to insure. When a state says to a motorist, in effect, "you must buy insurance," it is creating a political specter that is bound to haunt every election campaign from here on in. The Massachusetts experience

(CONTINUED ON PAGE 20)

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**SAVES
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A YEAR**



Use of ADT Central Station Automatic Services to protect our warehouse around the clock against fire, burglary and heating equipment failure has, through the years, been highly satisfactory. These services not only have proved efficient, but they give us a current annual saving of \$5,500 over the cost of less effective measures.

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Vice President

Year after year, customers of Great Northern Warehouses, Inc., Syracuse, N. Y., have had assurance of complete and effective protection against fire, burglary and other hazards. The building and its contents are safeguarded throughout by a combination of ADT Central Station Sprinkler Supervisory and Waterflow Alarm, Burglar Alarm and Automatic Heating Supervisory Services.

The satisfaction expressed by Mr. Hammerle is typical of the comment of thousands of warehousemen and other business executives who know that ADT Automatic Services give better protection for property, profits, customers' goods, and employees' jobs than other methods, and at less expense.

Whether your premises are new or old, sprinklered or unsprinklered, there is an ADT Automatic Protection Service to detect dangerous conditions and to notify fire, police or other protective forces, immediately and automatically.

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Character, Training and Opportunities of Professional Agent Outlined at D. C. I-Day

By KENNETH O. FORCE

WASHINGTON—Almost 300 attended the I-Day program here of District of Columbia Assn. of Insurance Agents here. The theme was the professional agent, and there was general agreement among those who appeared on the program that the work of the insurance agent is not a profession, but there are agents who, by superior performance and responsibility, can and do earn the appellation of professional agent.

As Archie M. Slawsby of Nashua, N. H., executive committeeman of NAIA, pointed out in his keynote address at the luncheon which started the I-Day festivities, the council of educational advisors, an organization formed in 1955 to assist in educational planning for the CPCU and CLU program, recently issued a statement that insurance underwriting as such should not be claimed as a profession. However, the council added, there is good reason to refer to a "professional concept" in insurance underwriting and as such should not be claimed as a profession. However, the council added, there is good reason to refer to a "professional concept" in insurance underwriting and to assert that individual agents may conduct themselves as professional men. The council further stated that "elements entering into a correct definition of a profession would include a body of knowledge of a character significant to the public, skill in using the knowledge, and a code of ethics the policing of which is outside the individual practitioner."

The attendance at the meeting was not only large but included, in addition to a strong contingent of company men, agents from surrounding territories. Among those introduced by Herbert M. Pasewalk, president of the D.C. association, were William Boone of Aetna Casualty, president of Insurance Managers Assn. of District of Columbia; Edith Mitchell, president of Insurance Women's Club of Washington; H. H. McFarlin of Riverdale, president of Maryland Assn. of Insurance Agents; William S. Wise, president of Montgomery & Georges Counties association, and Kenneth Ashton, Arlington, president, Northern Virginia Assn. of Insurance Agents.

Huntington T. Block and William M. Stell were co-chairmen of I-Day, and the two shared the duties of moderating the two panels in the afternoon. Other members of the I-Day committee were Peter J. Dowd Jr., George W. McClain Jr., John F. Tierney, Lowell Seim, and Alfred B. Grunwell.

With Mr. Stell as moderator, one panel dealt with the professional agent's responsibility to himself. Dr. Edwin S. Overman, assistant dean of the American Institute, and Kenneth O. Force, executive editor of THE NATIONAL UNDERWRITER, discussed this subject. With Mr. Block as moderator, Neal Crowley, manager of the insurance department of American Cynamid Co., and T. V. Murphy, insurance manager of Maryland Shipbuilding & Drydocks Co. of Baltimore, talked about the professional agent's responsibility to his clients.

Mr. Slawsby pointed out that the code of ethics of NAIA terms insurance an honorable profession and one that affords the agent a distinct opportunity to serve society.

Mr. Slawsby said he believed that an agent can be a professional. He emphasized independence as one of the essential elements in the makeup of a professional agent. Such an agent can operate only under the agency system, he said. He is not only independent, under certain circumstances he can be ornery about that inde-

pendence. He subscribes to the objectives of the society or business association. He is characterized by salesmanship which has reached maturity, and he actively supports conservation through fire and accident prevention work.

Dr. Overman pointed out the purpose of those who designed the course leading to the CPCU degree has been to elevate the insurance business in the eyes of the general public to a professional level. He described the CPCU program and how it functions.

It has grown quite apparent recently, Mr. Force said, that there is a need for differentiating between the professional and tradesman agent. Companies and agents have come to recognize that this is essential—not only for the positive benefit of the professional agent, but perhaps also for his survival and that of all local, independent agents. The top grade agent, he said, is faced with a continuing effort to acquire professional status because companies may not appreciate

(CONTINUED ON PAGE 32)

America Fore's current national advertisement reproduces a newspaper editorial which emphasizes the value of the services of the independent local agent and broker.

Appearing in:

- THE SATURDAY EVENING POST • LIFE
- READER'S DIGEST • FORTUNE • TIME
- NEWSWEEK • NATIONAL GEOGRAPHIC

"No Thanks, I Don't Want Any" Says Oklahoma Editor



TOM K. PHILLIPS
Owner—Publisher
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Holdenville, Oklahoma

No Thanks, I Don't Want Any

A circular letter received by the editor and we presume by many others, advertises a big "saving" on fire and automobile insurance to which we have the following reply:

"No, thanks! We shall be obliged to reject the offer... We get reasonable insurance rates by purchasing our insurance protection from established, reputable local agents who are here on the ground and whose services will be available should we have a loss against which we are protected in the standard insurance policies in our safe. We would not be obliged to indulge in lengthy correspondence with some stranger in Kalamazoo, or Timbuktu. The local boys would be on the job, would check and report the loss, and settlement would be made without difficulty or quibbling.

"Moreover, the established insurance agents are our friends and neighbors. They help support our schools which two of my kids attended for about 10 years, and from which they were graduated; they help support the churches that provide me and mine spiritual stimulation; they help support the police agencies that protect my property against plunder; they help support the fire department that protects my property against fire; they help support the city, school district, district, county and state governments that bestow many blessings upon me.

"Why should I take my insurance business from these benefactors, these friends, these fellow citizens and give it to some foreign concern that doesn't care a tinker's dam about our town, except for what profit they can extract from it?

"The few cents I would save on every hundred dollars of insurance protection I now have wouldn't begin to compensate me for the trouble and inconvenience in event of a loss. It isn't worth the difference.

"Cheap insurance is like any other cheap commodity; it's very apt to be more expensive in the long run."

Editorial—Daily News, Holdenville, Oklahoma

Yes, Mr. Phillips, there's only one kind of insurance—THE BEST YOU CAN BUY!

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- ★ The Fidelity and Casualty Company of New York



For the name of a nearby America Fore Agent call Western Union by number and ask for Operator 25.

N. Y. Department to Revise Opinion on Block Policies

NEW YORK—The insurance department is going to revise its definition of mercantile block, commercial property and dealers coverage in view of the demands of the business that statistical reports include breakdowns on at least three types of perils, fire,

extended coverage and all others.

The department issued a proposed definition recently and asked for comments on it from the business. Julius S. Wikler, first deputy superintendent, commented at the close of the thronged hearing, that he is dissatisfied with several portions of the opinion and he intends to rewrite them.

He indicated the revised definition would not be ready much before the end of the month and said he would not approve filings until the definition is satisfactory in its entirety. He said he favored suggestions by National

Bureau of Casualty Underwriters that if premiums are to be indivisible, they should be reported on four classes fire, EC, burglary and theft, and other perils.

J. M. Cahill, secretary of National Bureau, recommended that this business be reported on four classes of perils. Burglary and theft is separate and distinct from other inland marine perils, he said, and judgment must be invoked on rates of many inland marine lines. He added that the actuarial committee of National Bureau has taken the same view, that statistics

should be detailed, and said the bureau wants to create as little conflict as possible.

John R. Barry, president of Corroon & Reynolds group, denounced statistical reports on a package basis as the beginning of the end for fire rating bureaus. He said the rating bureaus would be unable to tell insured how his rate was arrived at on the basis of experience in various classifications. Anyway, he said, last year for 30 companies, block covers represented only 1% to 1 1/4% of total premiums. He suggested that the department could require statistics on breakdown and package bases.

W. H. Rodda, secretary of Transportation Insurance Rating Bureau, suggested block policies be classified as multiple peril and not multiple line to avoid public confusion with the terminology used to describe insurers that write all lines. He said his organization believes statistics should be kept on a package basis but he sees no objection to requiring statistics also on a breakdown basis.

Percy Chubb II of Chubb & Son group appealed for statistical breakdown on three classes, fire, EC, and others, instead of four. He said that burglary under the block form is different from ordinary burglary cover. He pointed out that ordinary burglary and theft does not cover insured as completely as do fire and EC, but that under the block policy it would match fire, EC and other coverages for broadness.

Charles F. Littlepage, vice-president of North America, also supported the three-class breakdown, saying it would make it easier to rate many of the coverages under the new block forms.

C. P. Butler, representing Atlantic Mutual, supported Mr. Chubb and Mr. Littlepage. He said that burglary and theft under the new block policies differs widely from ordinary burglary and theft covers. Lawrence Goldstein, spokesman for Greater New York Insurance Brokers Assn., favored the three-class breakdown in the interest of simplicity.

Highlights of the Week's News

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New Jersey court awards WC benefits to widows of part time working owners	Page 22
AMA secretary calls for candid approach to common problems	Page 26
J. P. Craugh tells how to live under compulsory	Page 7
New York mutual agents ask change in homeowners C.	Page 31
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R. L. Hogg cautions that too much cannot be expected too soon from new Health Assn.	Page 37
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Rev. Morris loses Preferred Risk injunction suit	Page 48
Milwaukee 1-Day features agency operations	Page 41



Here comes 60,000 cubic feet of foolproof burglar protection!

Burglars, beware! Inside these suitcases is the most fantastic, absolutely foolproof burglar trap ever devised—the Kidde Ultrasonic Burglar Alarm System.

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The Kidde system is unbeatable. It cannot be bypassed in any way, and tamper-proof switches sound an alarm in case of attempted sabotage. Easy to install and simple to operate, the Kidde system gives the most *flexible* protection on the market today. Properly installed, a permanent Kidde system qualifies for an Underwriters' Laboratories Number Two Classification.

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CRAUGH TELLS N.Y. MUTUAL AGENTS

How to Live Under Compulsory; Thinks UM Would Make Any Claim Fund Unnecessary

How to deal with the practical aspects of New York's compulsory automobile insurance legislation was discussed at the annual convention of Mutual Agents Assn. of New York State in Syracuse by Joseph P. Craugh, executive vice-president of Utica Mutual. The New York legislation does not have many of the criticized features of the Massachusetts' law, he said.

Among other things, Mr. Craugh suggested that uninsured motorist coverage be broadened and continued, as a method of covering victims of uninsured motorists that compulsory won't cover that is superior to any sort of claim or judgment fund. He foresees a surge in the number of assigned risks but warned underwriters against forcing too great a number of insured into the AR plan.

He does not believe compulsory in itself will reduce agents' commissions. However, agents will need to tighten up on credit to policyholders because one of the chief difficulties of compulsory will be cancellations and suspensions.

He outlined some of the practical problems confronting insurers and agents.

The MV commissioner will promulgate reasonable rules and regulations for the administration and enforcement of compulsory, effective not later than Oct. 1. These regulations will definitize some of the practical problems.

Every authorized insurer will, of course, be required to issue a "certificate of insurance" in a form prescribed by the motor vehicle commissioner to each of its policyholders for presentation with the application for 1957 automobile registration. There are some who think that the term "certificate" may be construed as a "guaranty" that the insurance will remain in effect throughout the registration period. The present section 11-a of the vehicle and traffic law which requires compulsory insurance for minor owners of motor vehicles and which is repealed by the new law, refers to a liability policy "certified" by an insurer. The J-R-1 form now in use for this purpose is entitled "notice of insurance in effect." It may well be that the title of the certificate of insurance may be similarly captioned.

Getting these certificates into the hands of all policyholders whose policies became effective on and after next Feb. 1, will present a problem of considerable magnitude for all agents. He said he hoped the form of the certificates will be prescribed by the commissioner at an early date so the burden will not be concentrated upon agency clerical staffs during the last quarter of 1956. Upon the re-registration of a motor vehicle for which insurance has once been certified, the certificate will not be required in 1958 and subsequent years. Then it will be sufficient if the applicant files with his renewal stub a statement that the required insurance is still in effect. The form of this statement will have to be prescribed by the commissioner.

The big problem concerns cancellations and suspensions, he commented.

The law provides that no contract of insurance or renewal thereof for which a certificate of insurance has been filed with the MV commissioner shall be terminated by cancellation or failure to renew by the insurer until at least 10 days after mailing to insured a notice of termination. This

language is somewhat ambiguous, Mr. Craugh said. He believes the provision relates only to such terminations of the contract as are instituted by insurer. Therefore, where the policy is cancelled by insurer for non-payment or for any other cause, or is terminated by insurer for failure to renew, the required 10 days notice of termination must be given.

The law contains a provision ancillary to cancellation by insured which provides that when the insurance is terminated by cancellation or failure to renew (presumably either by in-

surer or insured), the owner shall surrender forthwith his registration certificate and plates unless proof of security is otherwise maintained. Failure to surrender the certificate and plates under such circumstances is a misdemeanor. Surrender of the certificate and plates is, however, not a condition precedent to an effective cancellation.

It should not be necessary to file notices of suspension with the commissioner, he said. Undoubtedly it will be assumed in such cases that the

(CONTINUED ON PAGE 34)



lost at sea

Slow service on payroll audits sure leaves you adrift. You don't

know where you stand. Mate, you need Bituminous!

Bituminous' johnny-on-the-spot payroll audit service protects you against

credit losses and gives you prompt word on

commissions due. Bituminous agents enjoy 30-day

service (or less!) on payroll audits. Bituminous has the ability,

the system and the get-up to get the job done. Plot your course with

Bituminous and see.

Write today for the Bituminous story.

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CASUALTY CORPORATION

BITUMINOUS FIRE AND MARINE INSURANCE COMPANY

ROCK ISLAND, ILLINOIS

Specialists in Workmen's Compensation

Urges Consecutive Dates for NAIA, Blue Goose Annuals

In a letter to members of National Assn. of Independent Insurance Adjusters, Loyal T. R. Snyder, president of Frank Allyn Inc., Seattle independent adjusters, has suggested that the NAIA correlate its annual convention date and site with the Grand Nest of Blue Goose International.

Mr. Snyder said setting the date of

the adjusters' convention to immediately precede the Blue Goose convention would facilitate attendance at both, increase membership and aid in completing programs and accommodations.

Ind. Casualty Adjusters Elect Vandivier President

Indiana Casualty Adjusters Assn. has elected W. K. Vandivier, Ohio Casualty, as president; J. D. Harvey, Fidelity Mutual, 1st vice-president, and James H. Duncan, Grain Dealers Mutual, secretary-treasurer.

Ark. Rating Bureau Names Tate Board Chairman at Annual

LITTLE ROCK—H. C. Tate, secretary of Aetna Fire, was named board chairman of Arkansas Inspection & Rating Bureau at its annual meeting here. He succeeds Frank Franzen, vice-president of Loyalty group, chairman for the past three years.

Phillip S. Beebe, western department manager of Hartford Fire, was

elected vice-chairman to succeed Frank Weaver, assistant U. S. manager of Royal-Liverpool group. Mr. Weaver and Mr. Franzen will continue as board members.

Premium income of bureau members and subscribers during 1955 from fire and allied lines (excluding marine, auto and aircraft) amounted to \$22,760,801, according to Walter Plangman, manager of the bureau. The income represents a 10.96% increase over 1954. While the experience for fire was 43.6% (written and paid), the loss ratio for extended coverage was 60.1%. Except for one year out of the last nine, EC in Arkansas has been unsatisfactory, Mr. Plangman said.

Commenting on the substantial reductions in fire rates made in Arkansas during the past 30 years due to improved conditions of construction, fire protection and fire prevention, Mr. Plangman said:

"The rating organizations owned by the stock fire companies have spent millions of dollars in perfecting the system of fire rating, including the town grading and other data which underly the determination of rates. The question involved during the past year or two is whether their property rights in this accumulated material may now be invaded by companies acting independently outside the rating organization."

"The rating system has served the public well during all these years by reason of the direct influence it has had upon improvement of fire protection facilities in the various cities and towns and also upon the methods which have been developed to avoid rate discrimination by the various classes of insureds," he continued. "It is important for rate regulation and supervision to allow rating organizations the means and freedom they need to do a good job for the business and for the public."

Mr. Plangman said the bureau had given special emphasis to public service activities of its several divisions in 1955. Its fire prevention division, he said, was the "public relations arm" of the bureau, and for a number of years has been accepted as headquarters in Arkansas for fire-safety activities including firemen's training, school fire safety programs, work with civic groups, and coordination of town inspection programs in cooperation with Arkansas State Fire Prevention Assn. Services of the engineering divisions have been sought by and furnished to state and municipal authorities, he said. "The public knows little about how the bureau operates in an education, factual and engineering capacity in the public interest. We are taking advantage of every opportunity to tell this story to individuals and civic organizations."

Mr. Plangman said the bureau processed some 646,076 policy documents during 1955, a 7.3% increase over the previous year, and 53,534 non-approvals were issued as compared with 52,230 of the previous period. The annual renewal plan was withdrawn in Arkansas on April 1, 1955, so that the state now has only the installment premium payment plan in addition to the regular cash plan policies, he said.

(CONTINUED ON PAGE 44)



Odor Control Is A Profit Builder!

How Airkem rescued millions of cookies

Fire in a plant of one of the world's largest baked goods manufacturers doomed \$400,000 worth of cookies. Shipping cartons costing \$40,000 were contaminated by the heavy smoke and left unusable. Management found that another supply of cartons was unavailable for several months and was faced with prolonged business interruption and heavy losses in product sales. Airkem Smoke Odor Service, however, quickly and completely killed the odors in the irreplaceable cartons. Millions of fresh-baked cookies, cakes and candies were shipped without loss. No smoke odor losses were suffered, nor was business interrupted. Cost of this service was slightly more than \$1,000!

Airkem Smoke Odor Service is available from coast to coast. Airkem trained experts remedy smoke, fuel oil, ammonia and many other odor conditions with complete effectiveness.

Neutralizing smoke odor contamination is just one of the many odor control services performed by Airkem for



Odor Control is a Profit Builder for pharmaceutical plants, sanitariums, hotels, circuses, transit lines and many other types of industries and institutions.

business and industry. Treatment of offices and living areas for better air quality eliminates "ODOR IRRITATION," makes more efficient working conditions and pleases customers. Airkem aids management in reducing air conditioning costs by increasing the use of recirculated air. Maintenance problems for hospitals and institutions are simplified by the use of Airkem odor-controlling sanitation products. Finished products with disagreeable odors find greater markets when Airkem additives neutralize their odors. Airkem formulas counteract odors everywhere quickly, easily and economically.

Send coupon for more information. There's no obligation!

AIRKEM, INC., 241 East 44th Street, New York 17, N. Y.

Send me more information on ☐ Smoke Odor Service

☐ Air Conditioning Service ☐ Product Odor Control

☐ Please have Airkem Field Engineer call

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Milestone for Famous Agency School

By KENNETH O. FORCE

HARTFORD—The 5,000th agent to be graduated from Aetna Casualty's sales school was honored at a dinner at the Hartford Club here. He is Lawton G. Sargent Jr. of New Haven, and he had to achieve the distinction by attaining the highest marks in competition with his fellow students in the 154th agency class.

Also honored at the dinner were the winners of a production campaign conducted Feb. 6-March 10. For these agents the dinner was the climax of a two-day seminar on modern insurance methods at the home office. The contest was confined to lines reported through the casualty department, including A&S and comprehensive dwelling and homeowners policies, and resulted in \$30,600,000 in premiums.

This was a record for the company and a direct tribute paid by his scholars to Amos E. Redding, secretary of the company, who originated the agency school in 1931 and who has directed it since. It was a testimonial also to the ability and energy of the men who have subjected themselves to Mr. Redding's unusual style of discipline throughout 25 years, and to those men in the company who have helped the school achieve its high eminence.

The school has graduated more agents than any comparable school in the country. In other respects the course and the success it has achieved are not duplicated by similar educational effort anywhere, and these particularities stem largely from the character and personality of Mr. Redding—a man whose voice has a distinctive and delightful Yankee timbre; who is a tough, top insurance educator, and whose impress on the agency business in a quarter of a century is much more considerable than he would admit.

Henry S. Beers, president of Aetna Life group, expressed his appreciation for the efforts of all the contestants, including those who did not win a trip to Hartford, and he paid tribute to Mr. Redding for his contribution to the company and its agents. Others who spoke were Mr. Redding, Robert I. Catlin and Edward C. Knapp, vice-presidents; George D. McClure of Dallas, class of 1935, the earliest of the graduates to attend the testimonial, and Mr. Sargent.

Mr. Catlin emphasized that the great problem in the business today is production and that every effort of every agent and company man is needed to maintain momentum. They cannot rely on momentum achieved in the past to carry them through the times ahead, he declared. The success of the agency company today depends more and more on developing men capable of

Henry S. Beers, left, A. E. Redding, John N. Hays, and Lawton G. Sargent Jr.

building business, of making their mark in their communities.

Mr. Knapp expressed his admiration for the inspirational drive of Mr. Redding and his school, his unorthodox methods of teaching, and the outstanding results he has achieved. He recalled that in the early days of the school it was said of students in the course that Mr. Redding would knock them down, Bill Ellis would pick 'em up, and Frank Potter would go out and shoo in a batch of new recruits. He said Mr. Redding was brought into the home office after extensive experience in the field, and he originated the school for agents. No one is better known in the Aetna Casualty organization, he added, and none has contributed more to the success of the company's agents and to the production of the business for the company.

Mr. Knapp presented a thoughtful analysis of today's competitive situation and the significant part that agents of the caliber of those trained in Mr. Redding's school are playing in it.

Competition in insurance is more acute than ever before, he observed. In the 1920s a lot of capital went into insurance. Much of it, however, was not aimed at providing service to buyers but at getting dollars to invest in the stock market. The 1940s saw the big development of companies doing business through captive agents. The 1950s are seeing the additional competitive development of fire companies entering casualty and casualty companies entering fire, which is increasing the scramble for business and for the services of agents and company men.

The direct writers have made tremendous progress, he said. They have taken some agency business, but up to now, their growth has been largely the result of new business. However, this situation is changing. They are moving into the agency market in a more pronounced way.

Agents can meet this competition, (CONTINUED ON PAGE 40)



G. Barry McEldowney, William F. Jubinville and Walter M. Teichen Jr.



John N. Hays, Walter M. Teichen Jr., William V. Henderson, William J. O'Meara and William F. Jubinville.



E. N. O'Beirne, J. D. Shows, Frank W. Potter and Robert E. Brown.



Frank W. Potter, Jack Faunce, James W. Gilmour, William F. Jubinville and George D. McClure.

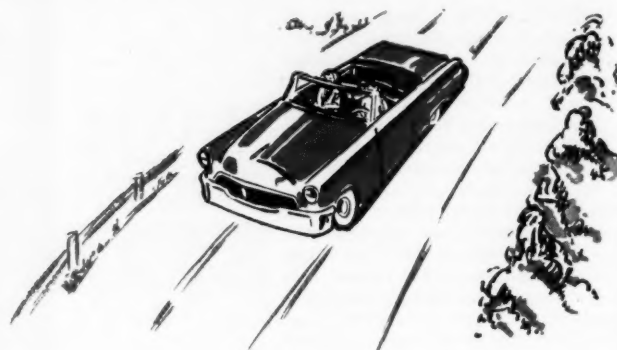
John N. Hays, Lawton G. Sargent Jr. and Guy E. Mann.



The accompanying photographs are of agents and representatives of Aetna Casualty, taken at the seminar conducted at the home office of the company for winners of the production contest that celebrated the 25th year and 5,000th graduate of the company's sales course, and at the dinner which was the climax of the two day affair.

Unusual Agency Contracts

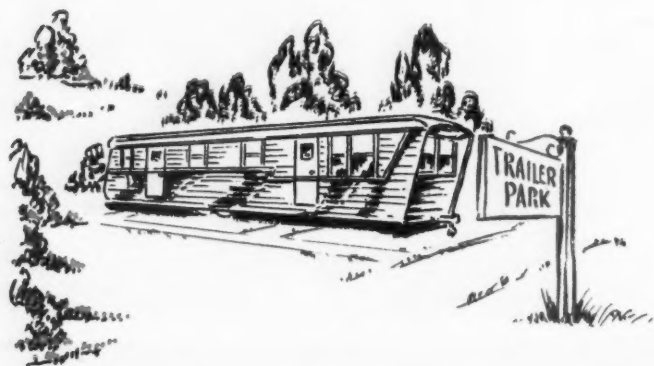
HERE IS YOUR OPPORTUNITY to secure an unusual Agency contract if you can meet our qualifications. Application on next page *must be* completed or identical information sent us.



AUTOMOBILE Retrospective Contract Agents

The St. Louis Insurance Group offers facilities for attractive Retrospective Automobile Commission Contracts.

Application considered only on completion of inquiry blank at right.



MOBILE HOME Agents

The St. Louis Insurance Group offers attractive Agency Commission Agreements for Fire, Theft, Combined Additional Coverage, Vendors Single Interest and Collision on Mobile Homes.

Complete application on opposite page.

CREDIT LIFE Agents

The St. Louis Insurance Group can arrange agreements at attractive Agency Commissions for Credit Life, Health & Accident Insurance Applying to Automobiles and Mobile Homes financing.

Send information requested on page at right.



ST. LOUIS INSURANCE GROUP

WASHINGTON FIRE AND MARINE INS. CO.

MIDWESTERN FIRE AND MARINE INS. CO.

ST. LOUIS FIRE AND MARINE INS. CO.

THE INSURANCE COMPANY OF ST. LOUIS

Complete This Application Now

(or send exact
information
requested)

THE ST. LOUIS INSURANCE GROUP
4144 Lindell Blvd.
St. Louis 8, Missouri

Date _____

Here is completed Application for an agency contract with one of your four companies:—

Washington Fire & Marine Ins. Co.
Midwestern Fire & Marine Ins. Co.

St. Louis Fire & Marine Ins. Co.
Insurance Company of St. Louis

Name of Agency _____

Address _____

City _____

Individual _____

Partnership _____

Corporation _____

()

()

()

If Partnership or Corporation,
furnish names of partners or
officers _____

Zone _____

State _____

What does inquiry concern? _____

() Retrospective

() Mobile Home

() Credit Life

From what source does such business originate?

Retrospective)

Credit Life)

Mobile Home)

— Banks ()

Dealers ()

Finance Accounts ()

What volume of premiums may we anticipate? _____

Retrospective \$ _____

Mobile Home \$ _____

Credit Life \$ _____

What companies do you presently represent? (All classes of carriers)

What is your banking facility?

If you wish, kindly furnish three or four references

Remarks, if any:

Health Assn.'s First President Says Potential for Accomplishment "Almost Boundless"

"The potential of the Health Insurance Assn. of America for constructive accomplishment is almost boundless," its first president, E. J. Faulkner of Woodmen Accident & Life, declared in his acceptance address at the Cincinnati organizational meeting. To venture the assertion that the business has in reality achieved maturity is to invite a lifted eyebrow later, he said,

"Yet I cannot but believe that A&S insurance is now called upon to play a significant and critical role in the pageant of our country's history."

With 1,100 "freely and fiercely competing" insurers vying for A&S business no line of endeavor is less subject to concert or in restraint of trade, Mr. Faulkner observed. For many decades sharp competition impeded the

development of an industry philosophy and discouraged inter-company cooperation, even in matters appropriate for joint endeavor. That this phase of A&S insurance history is drawing to a close seems evident in the organization of Health Assn. "We have come to the realization that it is in no one's interest—policyholders, company's or community's—for insurers to hold aloof from participation in programs that lead to better underwriting, sounder financial structures, more efficient distribution or a better informed public. Despite differences in terms of kind of company and meth-

ods of operation, it has been learned that cooperation among companies can be productive of great good. Participation in these collaborative efforts binds no one to act contrary to his own concept of the best interests of his company. The constitution of the Health Assn. specifically guarantees that no member shall be considered individually committed by any act of the association or any of its committees, except with respect to such matters as may be related to the administrative business of the association.

The business has also learned that in a highly political society it cannot be oblivious to the effect of politically inspired legislation or politically influenced regulation. There was a time when government, except for routine matters, was remote from A&S insurance, but this has changed in the last quarter century! "The essentiality of our business and its growth have inevitably fastened on it a burgeoning interest of government at all echelons," Mr. Faulkner said. "Now we realize that it is an important responsibility of management, serving as trustees for the policyholders, to be alert to events of a political nature as they may affect the welfare, stability and usefulness of voluntary insurance. Enlightened management now recognizes that it would be derelict in the discharge of its responsibilities did it not actively and aggressively inform legislators and administrators in matters of concern to insurance. Equally important is that our huge family of policyholders be encouraged to an understanding of the effect on their companies for good or evil of political proposals."

He said if voluntary insurance is to be the method of choice for the financing of health care costs, including income losses due to disability, the business must be increasingly concerned with every aspect of health. A more complete understanding with doctors and hospitals, allies in the effort to provide the best health care and the most adequate financial provision for it, is needed. Too often minor differences have been allowed to obscure understanding of the basic unity of purpose that ties together the free practice of medicine and voluntary insurance.

The bureau and the conference, he said, have left an indelible impress of their contribution to the business. Without sacrifice of principle there has been on all sides a willingness to give to the common cause. In addition to the bureau and conference, Mr. Faulkner praised Joint Committee on Health Insurance, now discharged of its responsibilities, but still having work in process. Most of it will be carried forward without interruption by Health Assn. The organization meeting can be held with the assurance that there will be no hiatus in the endeavors heretofore carried forward by the bureau, the conference and the joint committee. In no small way it stems from the availability of the highly expert group who will constitute the staff of the new association.

"SAFECO has stopped our loss of auto business!"

says Donald Jefferis, of the
Jefferis Insurance Service,
Marysville, California

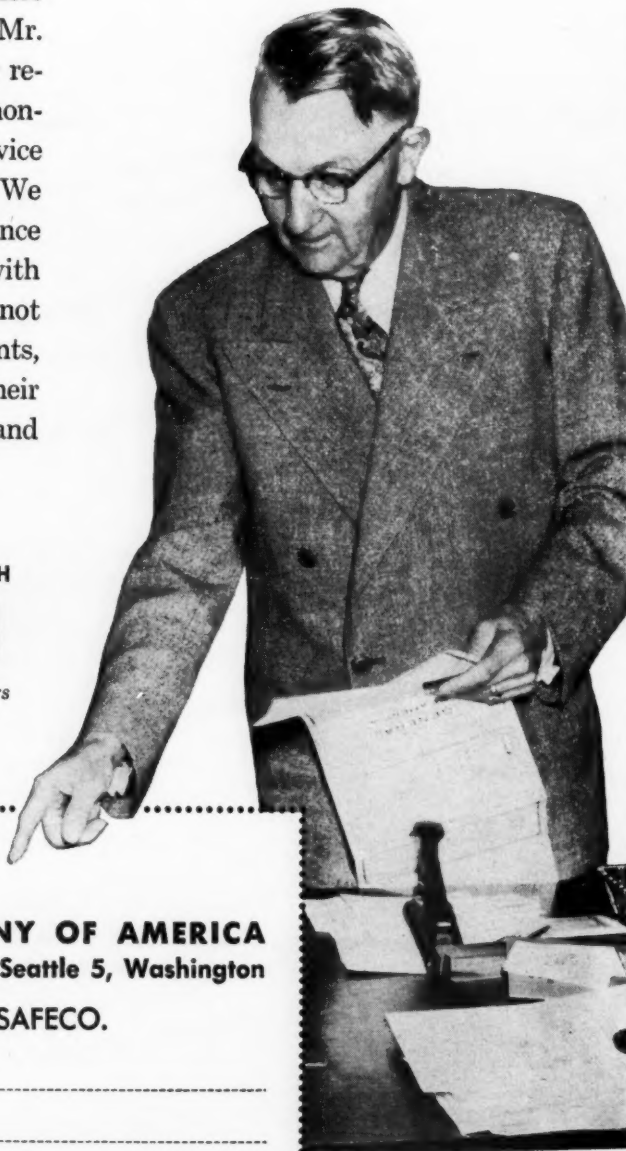
"... and, is adding new customers for auto and other business. Mr. Jefferis goes on to say, "In our recent flood disaster we saw demonstrated the efficient claims service maintained by your companies. We have found that General Insurance Company of America, along with General Casualty and SAFECO, not only perform well for our clients, but they are progressive in their efforts to give their agents new and improved tools to work with."



SAVE YOUR AUTO BUSINESS WITH

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the modern auto insurance for safe drivers



SAFECO INSURANCE COMPANY OF AMERICA
General Insurance Building, Room 301, Seattle 5, Washington

I am interested in getting the facts on SAFECO.

Agency Name _____

Street _____

City _____ Zone _____ State _____

Signature _____

State Auto, O., Names Two

State Automobile Mutual of Columbus has appointed William D. Metz and Leland A. Pierce as fire special agents, Mr. Metz to serve in southern Ohio and northern Kentucky, and Mr. Pierce in Michigan and northwestern Ohio. Mr. Metz has been with Lumbermens Mutual of Mansfield, and Mr. Pierce has had eight years in the business as agent and field man.

Staff and Functions of New Health Assn. Outlined by Neal

Bureau and Conference Will Provide Solid Base of Personnel

CINCINNATI—The solid base of staff organization and the well defined set of objectives with which Health Insurance Assn. of America will begin its career were described by Robert R. Neal, association general manager, in his address at the organization meeting here.

Terming the Cincinnati meeting "auspicious as well as historic," Mr. Neal said the A&S insurance business is clearly demonstrating by establishment of Health Assn. that there is a pressing need to expand trade association activity to meet the challenge of providing greater service and representation on matters of public concern in the health insurance field.

To fulfill its mission, he said, a trade association must have an experienced and capable staff, and the development of such a staff will be begun immediately. In a large measure, however, the major areas of responsibility will be in the hands of experienced people, since all members of the executive staffs of the bureau and conference will be a part of the association and will form the nucleus of its staff. Together, they bring more than 130 years of experience in the A&S field, and "few new organizations could be so fortunate in their beginning."

The functions of Health Insurance Assn., while set forth in the constitution, are worthy of repeating, Mr. Neal observed. They are:

1. To engage in research, to provide a forum for discussion and to disseminate information on matters of interest in the field of A&S insurance.
2. To express the views of the association as to matters affecting A&S insurance.
3. To establish standards of ethical conduct in the A&S business to be observed by members as a condition of membership.
4. To promote understanding of and to maintain the confidence of the public in the A&S business through adequate public information and education.
5. To engage in such other activities as will further the purposes of the association.

The association shall not in any way bind a member in the use of premium rates, policy forms, coverages or classification of risks, Mr. Neal explained.

One of the principal functions of the new association will be an active program of service in the general legislative area which will include review and reporting of legislation, both state and federal; development and furnishing of information that may be used to oppose ill-advised legislation; preparation and sponsorship of model legislation; preparation and appearance before legislative and other state and local governmental bodies on matters of interest to A&S insurance; representation before and liaison with National Assn. of Insurance Commissioners; consultation with individual in-

surance departments on proposed laws and rulings, and interpretations of laws and policy approval matters, and liaison and representation before federal government agencies on questions affecting A&S insurance.

The association staff responsibility for the legal and legislative area will rest with John P. Hanna as general counsel. Associated with him will be John McAlevey, F. Joseph O'Regan and Paul Quinn. As special counsel for consultation and assistance in certain specialized fields, the legal department

will have the services of C. C. Fraizer.

Another primary function of the association, Mr. Neal said, will be educational programs and projects for inter- and intra-company use. In order to keep companies abreast of changing conditions, to bring into focus their probable effect on the business, to furnish a forum for an exchange of ideas, and to provide programs of education for home office personnel in specialized fields, the company relations division of the association and the information and research division will collaborate on an active program.

Among the services to be developed for member companies in this area will be:

1. Forums and seminars for exchange of information and developments on underwriting and marketing practices. These will include company experience in such areas as trends and developments in particular forms of coverage both group and individual; trends and developments on policies, such as hospital, medical, surgical, weekly income, major medical and comprehensive programs; office meth-

(CONTINUED ON PAGE 39)



Lifesaving course for Larry!

■ Believe it or not, this is a high school classroom. The subject—*Driver Education*. The instructor—an English teacher with special driver education training.

He's teaching Larry more than the mere mechanics of driving. Larry is learning the proper *mental* attitude necessary for *safe* driving. When the course is completed, Larry's chances for survival as a driver will have actually *doubled*!

In an age when one out of every four fatal auto accidents involves a youthful driver, you would think such a proven, successful program would receive wide acclaim. After all, far more of our youngsters are crippled and killed by auto accidents than by polio, for instance. *Yet a majority of communities are still without high school Driver Education.*

As an insurance man and civic-minded citizen, you can make a real contribution to the youth of our country by calling attention to the success of Driver Education. Make sure your school board, school officials, PTA and local Safety Council get the facts. Use your influence with key citizens to bring Driver Education to *your* high school.

We'll help by sending you the fact-filled folder entitled—*"Teach Them To Drive . . . and Survive!"* Write tonight, won't you? It can be a matter of life or death for many youngsters in your community.

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Your best choice is the American Foreign Insurance Association.
Then you are assured...

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OTHER SURETY BONDS

Contact Our Nearest
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Specific Bonding Needs
of Your Clients



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DALLAS OFFICE Mercantile Bank Building, 106 So. Ervay Street, Dallas 1, Texas
LOS ANGELES OFFICE 3277 Wilshire Boulevard, Los Angeles 5, California
SAN FRANCISCO OFFICE . . Russ Building, 235 Montgomery Street, San Francisco 4, California
WASHINGTON OFFICE . . . Woodward Building, 733 15th Street, N.W., Washington 5, D.C.

An association of 24 American capital stock fire, marine and casualty insurance companies
providing insurance protection in foreign lands

Convention Dates

April 22-25, Eastern Agents Conference, annual, Hotel Statler, Hartford.
April 23-25, State National Directors of NAIA, midyear, Hotel Statler, Hartford.
April 25-26, National Assn. of Independent Insurers, annual, Roosevelt hotel, New Orleans.
April 30-May 2, Chamber of Commerce of the U.S., annual, Washington, D. C.
April 30-May 1, Kentucky Assn. of Insurance Agents, Eastern District, Cumberland Falls State Park, Corbin.
April 30-May 2, Iowa Assn. of Insurance Agents, annual, Hotel Savery, Des Moines.
May 3, Illinois Assn. of Mutual Agents, Hotel Wafford, Danville.
May 3-5, Louisiana Assn. of Insurance Agents, annual, Edgewater Gulf hotel, Edgewater Park, Miss.
May 3-5, National Assn. of Independent Insurance Adjusters, annual, San Souci hotel, Miami Beach.
May 6-8, Florida Assn. of Mutual Insurance Agents, annual, The Colonnades, Riviera Beach.
May 6-8, Alabama Assn. of Insurance Agents, annual, Whitley hotel, Montgomery.
May 7-8, Minnesota Assn. of Mutual Agents, midyear, Leamington hotel, Minneapolis.
May 7-8, New York Assn. of Insurance Agents, annual, Syracuse.
May 7-9, Board of Fire Underwriters of the Pacific, Santa Barbara Biltmore hotel, Santa Barbara.
May 8, National Bureau of Casualty Underwriters, annual, New York.
May 9-11, American Management Assn., insurance conference, Roosevelt hotel, New York.
May 10, Surety Assn. of America, annual, New York.
May 10-12, Arkansas Assn. of Insurance Agents, annual, Arlington hotel, Hot Springs.
May 10-12, Florida Assn. of Insurance Agents, annual, George Washington hotel, Jacksonville.
May 14-15, Kentucky Assn. of Insurance Agents, Western District, Kenlake State Park, Hardin.
May 14-15, Oklahoma Assn. of Insurance Agents, annual, Mayo hotel, Tulsa.
May 15-16, Illinois Bureau of Casualty Insurers, annual, St. Nicholas hotel, Springfield.
May 16-18, National Assn. of Insurance Brokers, Boston.
May 17-19, North Carolina Assn. of Insurance Agents, annual, Hotel Carolina, Pinehurst.
May 17-19, Texas Assn. of Insurance Agents, annual, San Antonio.
May 20-23, Inland Marine Underwriters Assn., annual, Shawnee Inn, Shawnee, Pa.
May 20-23, Inland Marine Insurance Bureau, annual, Shawnee Inn, Shawnee, Pa.
May 21-23, Insurance Accounting & Statistical Assn., Hotel New Yorker, New York.
May 21-23, American Assn. of Managing General Agents, annual, Shamrock hotel, Houston.
May 23, National Automobile Underwriters Assn., annual, Roosevelt hotel, New York.
May 23-25, Georgia Assn. of Insurance Agents, annual, Oglethorpe hotel, Savannah.
May 23-25, Insurance Company Education Directors Society, annual, Skytop, Pa.
May 24, Midwestern Independent Statistical Service, annual, LaSalle hotel, Chicago.
May 24, National Board of Fire Underwriters, annual, Hotel Commodore, New York.
May 27-30, Virginia Assn. of Insurance Agents, annual, Hotel Chamberlain, Ft. Monroe-Old Point Comfort.
May 28-29, Georgia Assn. of Mutual Insurance Agents, annual, King & Prince hotel, St. Simons Island, Ga.
May 28-June 1, National Assn. of Insurance Commissioners, annual, Jefferson hotel, St. Louis.
June 3-5, Tennessee Assn. of Mutual Insurance Agents, annual, Lookout Mountain hotel, Lookout Mountain.
June 4-6, Conference of Mutual Casualty Companies, management meeting, Lake Delavan, Wis.
June 4-8, National Fire Protection Assn., annual, Boston.
June 7, Society of Fire Protection Engineers, annual, Statler hotel, Boston.
June 10-12, Maryland Assn. of Insurance Agents, midyear, Commander hotel, Ocean City.
June 10-12, Insurance Advertising Conference, annual, Skytop Lodge, Skytop, Pa.
June 11-13, South-Eastern Underwriters Assn., annual, The Homestead, Hot Springs, Va.
June 11-13, National Assn. of Mutual Insurance Agents, midyear, Claridge hotel, Atlantic City.
June 12-15, National Assn. of Insurance Women, annual, Conrad Hilton hotel, Chicago.
June 13-16, International Assn. of A&H Underwriters, Miami Beach.
June 14-16, Mississippi Assn. of Insurance Agents, annual, Edgewater Gulf hotel, Edgewater Park.
June 17-19, New England Advisory Board of New England Assns. of Insurance Agents, summer meeting, Wentworth-by-the-Sea, New Castle, N. H.
June 21-22, Missouri Assn. of Mutual Insurance Agents, annual, Hotel Chase, St. Louis.
June 27-July 1, National Assn. of Public Insurance Adjusters, annual, Kiamisha Lake, N. Y.

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Fire and Casualty Insurance

COMMENTS - TRENDS - OBSERVATIONS

600 ATTEND I-DAY LUNCHEON

San Francisco Looks to Future on 50th Anniversary of Earthquake and Fire

With a look to the future, San Francisco this week commemorated the 50th anniversary of the fire and earthquake which destroyed large sections of the city on April 18-21, 1906.

An Insurance Day luncheon, sponsored by Pacific Board, the Chamber of Commerce and the Commercial Club, was attended by some 600 business and insurance leaders.

Fireman's Fund, which suffered the heaviest loss of any company in the tragedy, paid tribute to the producers who demonstrated their faith in the company during the weeks after the disaster by continuing to place new business with the group.

London Assurance, which made the largest cash payment (\$8,291,390) on claims presented, commemorated the tragedy with the publication of a booklet entitled, "The San Francisco Story." It is a review of the catastrophe by G. H. Marks, who was sent by the company from London to San Francisco after the fire.

Fireman's Fund, then 43 years old, was faced with \$11½ million in claims to be paid to 8,503 claimants. The company's home office was a charred, gutted ruin and all of its records lay in ashes. The company, which had successfully weathered large losses in the Chicago and Boston fires and the Virginia City disaster, seemed to be faced with the prospect of being put out of business by a major tragedy in the city it had been founded to protect.

In many cases loss adjustments had to be based on faith in man's honesty. Often the company, agent and insured had no proof of insurance, so the insured's memory or an agent's guess became the basis of the claim.

The company, in a departure from practice, paid claimants 56½% in cash and the balance in stock of the company. Those claimants who held on to the shares they received in this way

have seen them grow substantially. If a policyholder received one \$500 share, representing 50% of his loss, and bought shares with rights that have been offered through the years, he would have, today, 153 shares valued at more than \$11,000. His investment, including the original \$500, would have been only \$2,294 in 50 years. In addition, the company has paid dividends to shareholders every year since January, 1908.

The unique plan worked for the benefit of everyone. The agency plant was saved, the security for "unburned" policyholders was maintained without interruption and Fireman's Fund set-



The home office of Fireman's Fund before the fire. It was a familiar landmark at the gateway to the financial district, which was almost totally destroyed.

tled the largest loss ever sustained by any single insurance company in the history of underwriting—and did it without one lawsuit.

Today, the company ranks among the top 10 property and casualty underwriters. Its assets are more than \$440 million and it has offices in 100 major cities in the U.S. and Canada. As part of its contribution to San Francisco's future, the company is building a new home office building on a 10-acre site overlooking the city.

Albert L. Furth, executive editor of *Fortune* magazine, was the guest speaker at the I-Day luncheon. He was a resident of San Francisco at the time of the catastrophe and in his talk, reviewed prophecies of prominent San Franciscans of a half century ago.

Mr. Furth, who entitled his speech "Another Kind of Earthquake," made several prophecies and predictions of his own.

"A San Francisco transit commission study shows a possible population for 1990 in the bay area of seven million, compared to three million today," Mr. Furth said. "The future seems to demand a clear realization of the city's changed role in relation to its surrounding area. San Francisco must confine to itself its new role of a 'core city,' performing definite central func-



The home office of Fireman's Fund after the disastrous fire of 1906. Within four months after the fire, Fireman's Fund had rebuilt the office on the site at California and Sansome streets in San Francisco. In 1914, it was replaced by the building that now houses the home office and Pacific department at the same corner. By the end of this year, the 1,000-member staff will be moved to the new home office building now under construction at California and Laurel streets.

tions for a rapidly growing metropolitan area and must, therefore, concentrate on developing to the fullest, and most attractive, those aspects of its role that will uniquely serve the surrounding area.

"The core city provides centers of banking and insurance; regional headquarters of national companies; import and export offices; wholesale centers; federal and state offices; ample and fine hotels; cultural institutions—richer than anything available in the sub-centers of the area," he said.

Chairman of the I-Day Luncheon was Ernest E. Erickson, who heads the public relations committee of Pacific Board and is secretary-manager of the Pacific Coast department of Fire Association. Mr. Erickson commented on the reasons for observing the 50th anniversary of the quake and fire.

"Most persons want to forget a harrowing experience," he said. "The sooner memories of a nightmare are buried the better. One would also expect that fire insurance companies which were called upon to pay out \$225 million for losses sustained in a 3-day conflagration would likewise not wish to be reminded of such a misfortune. And, yet, here we are today commemorating—actually in somewhat of a festive mood—the greatest single calamity a city suffered in modern history.

"But our observance of the 50th anniversary of the great fire and earthquake is not a sadistic motivation, nor are we opening old wounds with an object of reviewing the despair of a half century ago. Our spirit of commemoration stems from the great admiration we hold for those hardy San Franciscans who 'wouldn't say die' when the going was as rugged as one might imagine.

"If the letter 'V' has become a sym-

bol for victory, let us remember today that it also is the first letter of vigor and vision, both of which characteristics were so greatly in evidence among San Franciscans in the dark days and dreary months of toil following the catastrophe of 1906.

"We honor the memory of the thousands of men and women who were responsible for the rebirth of the great city in which we take such pride today. Without their tremendous contribution we would not be here to tell the tale!"

Travelers Report Blames 42% of 1955 Accidents on Speed

Travelers has produced its 22nd annual book of street and highway accident data with various breakdowns on the nation's 1955 traffic toll of 2,195,800 casualties.

Entitled *Fatal Fallacies*, the 29-page publication contains comparative graphs of 1955 and 1954 accident records, coupled with humorous but ironic cartoons by Ted Key, nationally known magazine cartoonist.

The book points out that 37,800 persons died in traffic accidents in 1955 compared to 35,500, while 2,158,000 suffered injuries, compared with 1,960,000. The only bright spot on the record was a drop of 4,600 to 230,400 in the number of pedestrian casualties.

The book shows that one out of every 75 people in the country was a traffic casualty and that 42.6% of all the drivers involved in fatal or injurious accidents exceeded the speed limit. More than 27% of drivers involved in fatal accidents were under 25, an increase of three points. A total of 85% of vehicles involved in accidents were passenger cars, and the book added that, though there are about four times as many passenger cars than commercial vehicles on the road, accident exposure for trucks was far greater than for passenger cars.

In 96.6% of the accidents, the cars involved were in apparently good condition, an increase of one point. More than 84% of all accidents occurred in clear weather, more than 78% on dry roads and more than 41% on week-ends. The most dangerous time of the day for driving was from 4 to 8 p.m. with more than 25% of all accidents occurring in those hours.

More than 78% of persons killed were in cars traveling in a straight direction. Only 9% were killed in cars that skidded and less than 7% were killed in cars making turns.

Summing up, the book states: "As long as faulty logic and rationalization motivate our motorists, no real improvement can be expected. Only when fatal fallacies give way to conscious care will we be able to forge an effective weapon against this terrible annual waste of life and property."

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Wm J. Dutton
President

The telegram that went to Fireman's Fund managers outside of Northern California after the fire of 1906 demonstrated that the company would survive the worst of all disasters that it had faced in its 43 years. Ironically, the vaults that President William J. Dutton mentioned in the telegram yielded nothing but ashes.

Added Starters for Fla. Agents' Annual

Donald Bolton of Jacksonville, president of Florida Assn. of Insurance Agents, will moderate a panel discussion on mercantile block policies at the annual meeting of Florida Assn. of Insurance Agents May 11-12 at Jacksonville.

Panelists will be Eugene F. Gallagher, fire manager Standard Accident at Chicago; T. D. McCarl, manager of Reporting Form Service Office, New

York, and George V. Whitford, vice-president of Fire Association.

Mr. Bolton will also give the administration report.

E. Finley Cannon Jr. of Gainesville, vice-president of the association, will moderate the panel on how to be a better casualty agent.

Personal Theft Policy Discussed

George Sauer of National Surety addressed Brooklyn Insurance Brokers Assn. on the broad form personal theft policy at the April meeting.

EC Increase in N.C. Is Rejected Again

Commissioner Gold of North Carolina has again rejected the extended coverage filing of North Carolina Fire Insurance Rating Bureau, though he agrees with the bureau that EC rates must be increased. He has left the matter open for further modifications if the bureau chooses to file them.

He indicated that he would be willing to approve smaller increases applicable to more properties which would

bring in a total of \$1,800,000 a year in premiums in comparison with the \$1,626,000 the bureau estimated in its proposal.

W. S. Bizzell, bureau manager, said the bureau executive committee has taken the decision under study to determine whether to amend its filing or to take an appeal to Wake county superior court.

Mr. Gold said he favors the bureau proposal to eliminate television and radio antennae coverage from EC and write it separately at \$5 inland and \$7.50 on the coast. The present set up of including antennae in the EC coverage discriminates against the property owners who do not have antennae, he said.

He also said he would consider an EC rate increase of 3 cents per \$100 on inland dwellings and 6 cents on coastal dwellings to be reasonable and fair in view of the heavy losses in recent years. He also said an increase in proportion to the nearest penny on other property except that of wind resistant construction would be in order.

Originally the bureau proposed a 4 cent increase on inland dwellings and a 14 cent increase on coastal dwellings. This was rejected.

The bureau had also proposed a \$50 mandatory deductible on windstorm losses to buildings, but not contents. This also was rejected. Then the bureau proposed that to eliminate the deductible the property owner could pay \$10 per building on the coast and \$5 inland.

Mr. Gold strongly indicated that he will not approve any EC deductible this year.

Phoenix, Conn., Sets up District Office at Houston Under Hills

Phoenix of Hartford group has promoted Waldo R. Hills Jr. to manager of the newly designated district office at Houston. He was formerly state agent in Texas. He joined the company in 1936, became special agent in 1939, and state agent in 1950, supervising south Texas.

On the staff are Thomas E. Vaughan, special agent; John W. Kelly, casualty and bonding superintendent; Paul Buchmann, inland marine agency supervisor; and Dalton L. Eastland, casualty underwriter. Mr. Buchmann, formerly located in the Dallas office, has been transferred to Houston.

The Houston office will supplement the facilities of the San Antonio office where Frank Y. Dickehut, special agent, is in charge.

Block Institute in Mich.

Michigan Assn. of Insurance Agents sponsored a two-day educational institute on commercial block policies at Michigan State university. Inter-Regional Insurance Conference block contracts have just been made effective in Michigan, making this instructional program particularly timely.

History and development of the block contracts and a detailed comparison with existing standard forms were presented by Clarence Metzner, assistant manager Western Underwriters Assn. Rating procedure and auditing requirements were explained by Ronald Butler, assistant manager Michigan Inspection Bureau, and sales aspects of the new form were discussed by George Simpson, state agent of Aetna Fire.

Philadelphia Mariners See Film

Mariners Club of Philadelphia showed a film on ocean cargo insurance at its April luncheon meeting. The film pointed out how to prevent loss by proper packaging.

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It is useless to deny that we are not influenced by what others do, particularly those for whom we have admiration and respect.

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Southern Agents Name Bell, Walker; 300 Attend Parley

More than 300 persons attended the annual meeting of Southern Agents Conference at Charleston, S.C. South Carolina Assn. of Insurance Agents was host at a reception for the conference.

Frank R. Bell Jr., of Charleston, W. Va., was elected chairman and James P. Walker of Augusta, Ga., was



James P. Walker



Frank R. Bell Jr.

named vice-chairman. Bernard J. Olasov of Charleston, S.C., takes over as chairman of the property insurance committee which was formerly held by Louie E. Woodbury Jr. of Wilmington, N.C. Mr. Woodbury's duties as executive committeeman of NAIA prompted the change.

Hayne P. Glover Jr. of Greenville, S.C., presided at the sessions. Principal speaker of the opening session was Frank Ross, general manager of Factory Insurance Association. Mr. Ross has been working with a special committee of the conference which is working to further the underwriting acceptance of FIA.

Reports were given by Mr. Bell as chairman of the special FIA committee, by Mr. Woodbury as chairman of the property insurance committee, by David J. Brewer, Greenwood, Miss., as chairman of the casualty committee, and by Mr. Walker as chairman of the public relations committee.

At the second general session speakers were J. Ed McDavid, deputy insurance commissioner of South Carolina, Kenneth Ross of Arkansas City, Kan., president of NAIA, and John V. Addy, vice-president of Appleton & Cox. Gen. Mark Clark, president of the Citadel, South Carolina military college, was the luncheon speaker.

At the business meeting the central committee increased the conference dues 150% to insure that the work of the conference officers and committee members will continue.

Mr. Bell, the new chairman, has been in the business since the second war. After service he joined his father in the Patterson, Bell & Crane agency, which is in its 80th year. In 1951 he was elected vice-president of the agency and in 1955 executive vice-president. He is serving his third term on the executive committee of West Virginia association.

Mr. Bell Sr. was president in the early 1920s of the West Virginia association and in 1923 president of NAIA, in which he is still active.

Mr. Walker, the new vice-chairman, operates the John W. Walker & Co. agency at Augusta, Ga. He entered the business on Dec. 7, 1935, with his father, John W. Walker. On Dec. 31, 1935, his father suffered a fatal heart attack, and James P. was left to manage the agency.

He served on the executive commit-

tee of Augusta board five years. After navy service, he returned to the agency. In 1949 he was elected first vice-president of his local board and he served two years as president, 1950-52. He went on the executive committee of Georgia association in 1942, and has served continuously except for navy service. In 1953 he was elected first vice-president of Georgia association and in 1954 president. He has served two years as chairman of the public relations committee of the conference.

He has been a member and chairman of the board of commissioners of

Richmond county, Ga., and has been active in other civic and charitable affairs. At present he is a member of the civil service commission which has complete authority over the police and fire departments of Augusta.

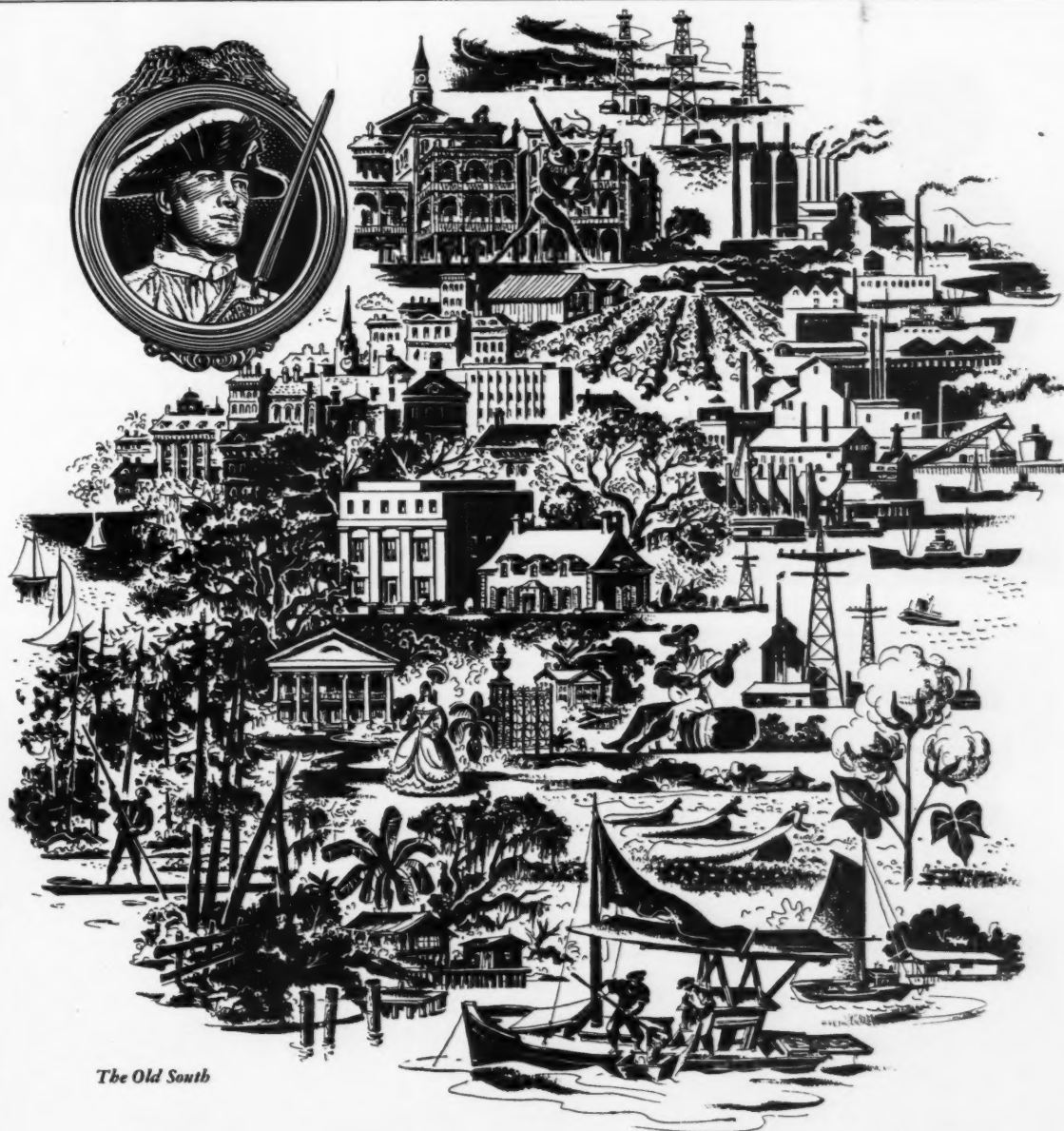
Interprets Four More Risks as Inland Marine

The committee on interpretation has ruled that four additional types of risks are classifiable as inland marine. These risks are mobile electric gener-

ators, when they are kept on insured's premises and moved only from one part of the premises to another; linen supplies, so long as they are not intended for manufacture or sale; a carrier designed to carry a small pleasure craft and nothing else; and golfmobiles, which are used only on golf courses and are not used on highways.

N. J. Square Club to Hold Dance

Insurance Square Club of New Jersey will hold its annual dinner-dance May 4 at East Orange, N. J.



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American, N.J., Makes Four Changes in Pacific Department

John E. Tilton has been named manager of the San Francisco office in one of several changes made in the Pacific department by American of Newark.

George C. O'Connell, assistant manager of the Pacific department, has been named chief of production. Harry C. Neavitt has been placed in charge of casualty underwriting and Harry Giles has been appointed casualty de-

partment supervisor.

Mr. Tilton joined the company in 1938 as an office boy and became a special agent in 1941. He was appointed field supervisor in 1952.

Mr. O'Connell went to the company in 1950 and became assistant manager of the Pacific department in 1952.

Mr. Neavitt joined the company in 1936 in New York as superintendent of compensation and liability underwriting. He transferred to the Pacific department as superintendent of casualty underwriting in 1950.

Mr. Giles went with the company in 1953 as an underwriter.

Travelers Names New Casualty Heads in Utah and Tenn.

Travelers has appointed Arthur S. Linn and James A. Blake managers of casualty, fidelity and surety at Nashville and Salt Lake City, respectively.

Mr. Linn joined the company in 1947 and was named assistant fidelity and surety manager at St. Louis in 1948. He became superintendent of



James A. Blake



Arthur S. Linn

those lines there in 1954 and later that year was appointed assistant casualty, fidelity and surety manager there. In his new post he succeeds Sory L. Davis, who is on a leave of absence.

Mr. Blake went to the company in 1950 as field supervisor at Salt Lake City and in 1953 was named assistant manager. He succeeds the late John R. Sherman as manager.

York Sees Less Marine Cover Discrimination

Miles F. York, president of Atlantic Mutual, noted that several countries, since the mutual security act went into effect, have exempted U. S. financed

economic aid shipments from their discriminatory laws and regulations. He spoke at the annual meeting of Assn. of Marine Underwriters in New York. He was reelected president along with other officers.

He observed that commercial treaties entered into between the U. S. and the Netherlands, Haiti and Nicaragua include clauses designed to prevent marine insurance discrimination.

In his report, Mr. York said the past year's activities were largely devoted to federal legislation, in particular the freedom of marine insurance. The legislative work is under the leadership of John T. Byrne, chairman of Talbot Bird & Co. and head of the federal legislative and government relations committee of the group.

Hemispheric I-Day Observance May 14

U. S. Chamber of Commerce will sponsor its annual Hemispheric I-Day luncheon May 14 at Waldorf-Astoria hotel in New York City. At the same time, insurance executives will be meeting in some 15 countries in Latin America at luncheons and banquets.

Henry B. Sargent, president of American & Foreign Power Co., will address the New York meeting on developing the power of Latin America through private enterprise.

Henry C. Thorn, resident vice-president of North America at New York, is chairman of the luncheon, assisted by Harry F. Legg, secretary of the insurance section of New York Board of Trade.

Five More Okay Block

The mercantile block filing of Inland Marine Insurance Bureau has been approved in Arizona, Montana and Utah, effective April 1, and in Connecticut and Maine, effective April 16.



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Providence Washington Appoints Two in West

Providence Washington has appointed Ross E. Coffin general manager and J. Walter Byrne production manager, both in the western department.

Mr. Coffin succeeds Donald Tefft, who resigned to become vice-president and general manager of a new company being formed by Georgia Railroad Bank & Trust Co. to write fire and casualty lines in Georgia and South Carolina.

Mr. Coffin, who was formerly assistant general manager, joined the company in 1948 as Indiana state agent. Before joining Providence Washington, he was with North America and a local agent and general agent at Indianapolis. He is a past-president of Indiana Assn. of Insurance Agents.

Mr. Byrne began his insurance career as a local agent at South Bend, Ind. He joined American more than 16 years ago as a state agent in Indiana. Since that time he has been agency supervisor in New Jersey, New England regional manager, and assistant manager of the company's Pacific coast department.

Chicago Surety Assn. Told of Lie Detection Uses

The operation of a modern detective agency and the use of lie detection instruments for business were outlined at a meeting of Surety Underwriters Assn. of Chicago by H. R. Luttenbacher and J. K. Barefoot, general manager and polygraph examiner, respectively, for Inter-State Detective agency.

Mr. Barefoot, who demonstrated the use of a galvanometer which records activities of the sweat glands, pointed out that lie detection instruments record the normal laymen's criteria of lie detection: tension, sweating, color-changes and other physical changes.

He said the three major business uses of lie detection have been in the investigation of pilferage and thefts, the screening of job applicants and the periodic screening of employees.

P. J. Lynch of Standard Accident, president of the association, announced that the annual golf outing would be held June 5 at Glendale country club.

Eye Compulsory Auto

LANING—Just prior to adjournment of the Michigan legislature, much informal discussion arose relative to compulsory automobile insurance in view of the adoption of a compulsory law in New York.

No interim committee for study of the matter was created but insurance men, particularly Waldo O. Hildebrand, secretary-manager of Michigan Assn. of Insurance Agents, were questioned exhaustively on the subject and were requested, in some instances, to obtain all possible information.

The flurry of interest made it apparent that one or more compulsory bills will be offered at the 1957 legis-

lative session, possibly with a fairly good chance of enactment. Should a special session be called before the regular session in January, particularly if its major subject matter were additional safety legislation, it is considered likely efforts would be made to have the executive include the subject in his agenda for that session.

Vaughan, Thain & Spencer Moves

Vaughan, Thain & Spencer advertising agency of Chicago has moved to new quarters on the 36th floor of the Carbide & Carbon building. At the same time it was announced that

Richard J. Thain Jr. has been advanced to vice-president and director of public relations, and is succeeded as vice-president and copy chief by Richard M. McConnell, who has been account executive. Joseph Breslin, who has been with Zurich at the head office, has joined the agency as an account executive.

John J. Clarke, assistant general counsel of federal reserve bank of New York, addressed Surety Underwriters Assn. of New York City on methods the bank uses to contain inflation and prevent deflation.

La. Rating Bureau Advances McIntosh

Parker A. Wiggins has resigned as manager of Louisiana Rating & Fire Prevention Bureau in New Orleans to join an insurance company. Kenneth L. McIntosh, associate manager, will succeed him as acting manager on May 1. Mr. McIntosh joined the bureau in 1948. He became a CPCU in 1952. The bureau represents more than 235 fire companies doing business in the state.

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EDITORIAL COMMENT

Jobs in Insurance Must Be Interesting

Today the hiring and keeping of good employees is a major headache to business of all types. In insurance, especially in the clerical phase of its operations, the problem is probably as troublesome as in any other field. In a recent speech, Edward R. Robie, personnel director of Equitable Society, focused new light on the subject and suggested one interesting alleviation of the problem.

The highly specialized, routine, repetitive job is one of the distinctive features of the mass production system, Mr. Robie said. Yet, the mass of people are being educated to such a high level that business is boring its employees to death.

What can be expected from the worker who spends all of his working hours, day after day and week after week on a simple, routine operation that fails to challenge anything in him except his desire to stick it out until quitting time and the next pay day? Mr. Robie asked.

Should business be surprised if the worker merely escapes all this boredom in orgies of consumption: Consumption of TV programs, movies and scandal magazines, and becomes creatively sterile?

Designing jobs to fit people may be considerably more important and rewarding than attempting to modify, or mollify, people to fit jobs.

Many personnel managers fail to dig below the surface and recognize their own responsibility for organizing the work and satisfying the people who do it. The managers may even be guilty of viewing the work as a kind of punishment that people must undergo in order to afford satisfaction elsewhere. A fascinating hobby can't always compensate for a dull job.

In his own organization, Mr. Robie said, the proportion of people who leave for other jobs because they want more interesting or suitable work is second only to departures for salary reasons. About a fourth of the terminating employees indicate a negative reaction to their jobs, primarily because of the monotonous nature of the work. Typical comments are, he said, "I was unable to use my brains—just typed numbers all day," "my job was too monotonous, there was no importance to it, and it was wasted effort," "the work was over-simplified, boring, and very routine."

When so many employees are leaving this kind of job for more interesting or

suitable work the situation is ripe for examination of the jobs for enlargement possibilities, he said. Enlarging jobs gives the employee more diversified work to do.

Job enlargement can be accomplished by combining jobs at the routine level and by eliminating higher level jobs and adding these functions to routine jobs.

For instance, Mr. Robie said, Detroit Edison, a utility company, undertook the job enlargement problem at the time when management assumed it had attained the ultimate in high production and low cost by mechanizing and specializing. In the customers' billing department, it was noticed that there were a number of tedious, monotonous, repetitive operations, that the employee's special capacities were not being utilized, and that there was considerable duplicate operation. Gradually employees were given more responsibility for their own work. The jobs were varied by transferring workers from machine to machine in one work group. Employees began making decisions about the work.

This free movement of employees promotes teamwork, affords variety, eliminates boredom and becomes a factor in increasing efficiency. Also, because employees are able to move up in job value and increased duties, they receive higher pay. Over-all costs of the operation are reduced.

Mr. Robie also cited a job enlargement program instituted by Colonial Life among its 200 home office employees. Processing of applications in the underwriting department had become a specialized clerical function. Orienting new employees in the department was difficult, absenteeism was high and it was often difficult to cover all jobs adequately during periods of absence. Buck-passing was common.

The company consciously reversed the trend toward specialization, Mr. Robie said. Each employee was given a variety of tasks which required broad knowledge of over-all operations. Three narrow jobs were combined into a single broad job, manned by three people. When there were absences, the job was easily covered and training was simplified. The employees began to understand the department's work.

Job enlargement does not necessarily eliminate dissatisfaction among workers, Mr. Robie warned. It depends on the worker and the job. The job de-

signed must be flexible enough to be fitted to the individual and the individual must be placed and trained to fit the job.

Reorganization of duty is not the only way to enlarge jobs. Supervisors can encourage employees to perform the job to its full limits and beyond, if possible. They can take a personal interest in the employee instead of seeing him only as an instrument of production.

Job enlargement raises a number of questions: Will employees like it? Do they resist change? How will personnel administration be affected? What about salary?

People don't resist change and they don't resent criticism, he said. They resist being changed and they resent being criticized. He suggested that job enlargement must be carefully planned. Salary administration systems must be flexible enough to evaluate broadened responsibilities accurately and reward them fairly. When technological changes begin to arise, such as electronic processing, recognition of the job enlargement philosophy during the planning stage is of great value.

Management must believe that employees, for the most part, will make a greater contribution to the success of the enterprise when given the broadest possible opportunity to use their creative powers. Also, management must be willing to share with employees knowledge of the operations of the organization, its goals, and its problems.

PERSONALS

E. P. Smith, U.S. manager of Norwich Union group, and Mrs. Smith sailed last week on the Queen Mary for England and Europe where they will spend two months. The combination business and pleasure trip will take the Smiths to England, Scotland, France, Switzerland and Italy.

Coleen Sandford, Washburn university senior and employed part time in the Kirk general agency at Topeka, has been awarded the Fulbright scholarship. Miss Sandford majors in languages. She plans to leave for study in France this fall and will be located at Dijon.

J. B. Rooney, secretary of Loyalty group, has been named chairman of the New Jersey disability benefits advisory council.

Russell V. Worgess, Battle Creek (Mich.) local agent and treasurer of Michigan Assn. of Insurance Agents, was named to important offices in both the city and county governments last week. He has been a city commissioner

for some time and, representing the city on the county board, in that capacity, was unanimously chosen chairman of the Calhoun county board of supervisors. Later in the week he was appointed vice-mayor and commissioner of accounts and finance in the municipal government. In being named to the latter post, he will have served in all four commission assignments, previously having been public works commissioner, public safety commissioner and commissioner of buildings and grounds.

Jack Seide, president of Babaco Alarm Systems, spoke at the annual common carrier conference irregular route of American Trucking Assn. at Miami Beach.

Ellis H. Carson, president of National Surety and vice-president of Fireman's Fund, addressed the young adult forum of Trinity Protestant Episcopal Church of New York City on Christian ethics in business.

William W. Donaldson, local agent at Pontiac, Mich., received the unanimous vote of his fellow commissioners last week for the office of mayor for a second two-year term. **Hiland M. Thatcher**, another local agent, was named chairman pro tem of the Oakland county board of supervisors, also by unanimous vote.

Arthur M. Jens, who retired from the Fred S. James & Co. agency in 1946, has been appointed insurance counsellor for the Illinois toll highway commission. Mr. Jens began his insurance career in 1906 as an inspector for Chicago Board of Underwriters and joined James & Co. in 1908 as an inspector, later becoming head of the inspection and engineering department. He was elected a vice-president in 1923. In 1925 he joined the Robert E. James & Co. agency and a few years later formed Jens, Murray & Co. which was merged with Fred S. James & Co. in 1936.

Aaron M. Shaver, director of personnel and public relations for Wolverine, has been elected president of the Battle Creek (Mich.) Rotary club. He has been with Wolverine since 1951.

C. Reid Cloon, president of Illinois R. B. Jones & Sons, Inc., Chicago, flew to London April 18 to visit with the firm's Lloyds brokers. He will return about the end of April.

Gary Fullerton, formerly on the staff of the *Insurance Advocate*, and now with the Nashville *Tennessean* and a correspondent for several insurance papers, and Mrs. Fullerton are the parents of a baby daughter, Anne Garrick.

Arthur S. Johnson, vice-president of American Mutual Liability, spoke at the greater New York safety convention in New York City.

THE NATIONAL UNDERWRITER

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OMAHA 2, NEBR.—610 Keeline Bldg., Tel. Atlantic 3416. Fred L. White, Resident Manager.

PHILADELPHIA 9, PA.—1027 S. Broad St., Room 1127, Tel. Pennypacker 5-3706. Robert I. Zoll, Middle Atlantic Manager.

SAN FRANCISCO 4, CAL.—Flatiron Bldg., 544 Market St., Tel. Exbrook 2-3054. A. J. Wheeler, Pacific Coast Manager.



DEATHS

HAROLD K. REMINGTON, 69, secretary of Fidelity & Casualty, died at Homestead, Fla., where he was visiting. He joined Fidelity & Casualty in 1931 after holding executive positions with other insurers. He supervised, as secretary, activities of the compensation and liability underwriting departments and the payroll audit department at the home office.

WILLARD HARTMAN, 58, assistant manager of the automobile department of Maryland Casualty, died in Baltimore. He joined the company in 1916 in the claims division and transferred to the automobile department in 1919 as an underwriter. He became manager of the casualty department at Newark in 1942 and returned to the home office in 1945 as assistant manager of the automobile department.

WILLIAM QUAID, 78, retired vice-president of Gibraltar F.&M., which merged with Home in 1948, died in White Plains, N. Y., hospital. He resided in Scarsdale, N. Y. Prior to joining Gibraltar F.&M., he was president of Southern Fire.

EUGENE K. KRAUSE, 46, operator of the Reliable agency of Grand Haven, Mich., died of a heart attack while visiting in Robinson, Mich. He had been in ill health for some time.

JAMES F. YOUNG, 81, chairman of Quincy Mutual died in a Quincy, Mass., hospital after a long illness.

CECIL S. MILLER, 63, treasurer of Hawkeye-Security, died at Des Moines, Ia., of a heart attack. Mr. Miller was also assistant treasurer of Industrial and Erie, affiliates of Hawkeye-Security, and had been secretary of Iowa National Fire until 1936.

HARRY A. REED, 58, local agent of Naugatuck, Conn., died there.

HAROLD B. WENDELL, who has been for the past two years office manager of John H. Hunt & Co., Chicago investigators and adjusters, died at his home recently of a heart attack. He was formerly with the claims department of the National Tea Co.

George S. Schuyler, who has had 20 years' experience in casualty claims, and joined the firm last January, will be his successor. He was previously for three years, claims manager of the casualty division of the Dubuque F.&M. in Chicago. Prior to that he was claims manager in the Milwaukee branch of the Fireman's Fund Indemnity.

JEREMIAH J. HEALY, local agent of Barre, Mass., for nearly 40 years, died there. He was past president of Worcester North Assn. of Insurance Agents and was a director of Massachusetts association.

JULIUS BUBOLZ, 93, whose death was reported earlier, was founder and secretary of Home Mutual of Appleton. He died at his Appleton, Wis., home following an illness of 3½ months. Mr. Bubolz founded the company in 1900 after a cyclone struck the New Richmond, Wis., area resulting in a large loss of life and property. The company had an original membership of 135 policyholders and was called Farmers Home Mutual Tornado & Cyclone Company of Seymour. Mr. Bubolz was the first secretary and was reelected to the office 56 times. For 31 years, the office of the com-

pany was in Mr. Bubolz's farm home. The company expanded operations from two counties to a 12-state area, and increased coverages from a single line to multiple line, writing more than 35 different contracts for urban and rural policyholders. Its original assets of \$353.02 have grown to over \$5 million and it now has a four-floor home office and 156 employees. Mr. Bubolz was also founder of Cicero Mutual and was its secretary for 29 years. He also founded the Bubolz Town Mutual Fire in 1926.

MISS SALLY HANNAN, office manager of the Hannan agency at Louisville, died there. Her brother, John T., is agency manager.

ROBERT A. DURHAM Sr., 93, a local agent at Oklahoma City from 1914 until his retirement in 1953, died at his Dewey, Okla., home after a brief illness.

ALBERT J. SAUCIER, 72, local agent at Berlin, N. H., died at his home there after a long illness.

GAB Makes Eight Pacific Department Promotions

Edwin B. Perry has been promoted from executive assistant to assistant regional manager of the mountain division of General Adjustment Bureau's Pacific department. Mr. Perry joined GAB in 1936, resigned to join the FBI in 1942 and after several years rejoined GAB as fire division manager of the former Rocky Mountain department.

In other promotions in the Pacific department:

Earl S. Young has been promoted from manager at Phoenix to general adjuster with headquarters at Phoenix. He has been with GAB since 1923 and was manager at Boise and Salt Lake City prior to his appointment as Phoenix manager in 1952.

William L. Fulenwider, formerly manager at Salem, Ore., succeeds Mr. Young at Phoenix. Mr. Fulenwider began his adjusting career in 1944, joined GAB in 1947 and was promoted to manager at Salem in 1951.

Richard M. Stearns has been promoted from field examiner to manager at Salem. He joined GAB in 1946 and has been a staff consultant and field examiner since 1953.

James E. Barrett has been transferred to Watsonville, Cal., to succeed E. P. Binder, who resigned to accept a company position. Mr. Barrett joined GAB in 1950 and has been manager at Santa Rosa, Cal., since 1952.

C. C. Glidden, senior adjuster at Phoenix, succeeds Mr. Barrett at Santa Rosa. Mr. Glidden began his adjusting career in 1935 and has been a manager for GAB at Sterling, Colo., and Colorado Springs.

T. R. Kelty, who joined GAB in 1950, has been promoted from staff adjuster at Roswell, N. M., to manager at Durango, Colo., to succeed F. A. Thompson, who has been transferred to Montrose, Colo., as resident adjuster.

Woodrow Wilson, who joined GAB in 1952, has been promoted from staff adjuster at Carlsbad, N. M., to manager at Hobbs, N. M., to succeed Lloyd Cory, who resigned to accept a company position.

Several Pacific department branches have been moved to new offices. The Oakland branch is now in the Bermuda building, 2150 Franklin street; the Carlsbad, N. M., branch is at 109 North Canal street, and the Idaho Falls branch is at 355 F street.

Madison (Wis.) Assn. of Insurance Women at the April meeting heard a discussion of parliamentary procedures by members of the Madison Junior Assn. of Commerce.

North Carolina Assn. of Insurance Women will hold its annual convention May 4-6 at Southern Pines.

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*** This advertisement appears in color in:**

Business Week—Apr. 7
Newsweek—Apr. 16
Time—Apr. 16
U. S. News & World Report—Apr. 27
Nation's Business—May
Town Journal—May

N.J. SUPREME COURT

Awards WC Benefits to Widows of Part Time Working Owners

New Jersey supreme court has reversed an appellate division decision which denied workmen's compensation benefits to the widows of two part-time working stockholders, killed in an explosion of their small explosives plant.

The court held that the widows proved the statutory employment relationship of Richard W. Mahoney and Edward C. Kraemer to the Nitroform Co. of Newark. Kraemer and Mahoney, together with Thomas J. Tully and Leon I. Ross, each held 25% of the stock in the company. However, Kraemer and Mahoney spent only 20 hours a week on a part time basis in the actual production of a highly explosive chemical. Kraemer worked full time as a professor for \$80 a week and Mahoney worked full time for another chemical firm for \$95 a week.

All stockholders agreed not to touch any profits of the company until it prospered more substantially, then Mahoney and Kraemer expected to devote full time efforts to it and receive approximately the same salaries as they were receiving from their present full time jobs, in addition to their 25% share of the profits.

The WC cover for Nitroform was on an assigned risk basis. The insurer was upheld in the appellate division in its contention that the widows did not establish proof of statutory employment and were therefore not eligible for WC benefits, insisting that the two working partners were not under direct control of the corporation.

The supreme court held that proceeds of sales were retained by the corporation and that the proceeds were beyond control of Mahoney and Kraemer without concurrence of at least another stockholder. The court said the element of control essential to employment relation was not absent.

The court also ruled that the cor-

poration would eventually compensate Mahoney and Kraemer before profits were distributed to stockholders and said that the possibility of this involved a chance of detriment which was sufficient to make the promise a valid consideration.

The supreme court overruled the insurer's contention that benefits should be calculated on the basis of 20 hours a week, the amount of time devoted by Mahoney and Kraemer to the part time venture. The court, in applying benefits to calculations on Mahoney's and Kraemer's full time jobs, cited a previous decision that allowed that "the entire objective of wage calculation is to arrive at a fair approximation of the claimant's probable future economic capacity."

The supreme court added that any reasonable calculation of the two partner's probable future earnings must take into account their wages in their contemporaneous full time employments.

N. Y. Recovery Men To Hear E. H. Carson


Recovery Men's Forum will hold its annual dinner May 3 at the Railroad-Machinery Club, New York City.

Principal speaker will be Ellis H. Carson, president of National Surety and vice-president of Fireman's Fund. Charles H. Watson of Fireman's Fund is in charge of dinner arrangements. William H. Whitesell of General Adjustment Bureau is in charge of reservations.

Roskam to Coast for Allstate

Richard E. Roskam, one of Allstate's original employees when the company was founded 25 years ago, has been appointed sales manager of the Pacific coast zone. Mr. Roskam was Allstate's first agent. He has been casualty sales director since 1953. He succeeds Walter R. Peterson, who will be transferred to the home office. Mr. Peterson joined Allstate in 1939 as an agent in California. He was sales manager of the Los Angeles regional office and of the former western zone office before becoming sales manager of the Pacific coast zone in 1950.

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HOME OFFICE: SAN FRANCISCO

Tenn. Insurers Plan State-Wide Campaign to Aid Local Agent

The executive committee of Tennessee Assn. of Insurance Agents has approved a state-wide advertising campaign for local associations and agents based on the promotion of Insurers of Memphis.

The Memphis program featured the slogan "Insurer Insured" in newspaper advertisements and scotch-lite bumper stickers. The ads explained that the sticker identifies the driver of the car as insured by one of the members of the organization and tells any passing member that the driver is entitled to his aid. The state campaign has been developed by the public relations committee headed by Clark Wade of Memphis.

In other matters, the association is conducting a state-wide survey of driver training in city and county high schools. The safety committee reports that at least a dozen schools are eager to initiate programs with help from the association and Assn. of Casualty & Surety Companies.

The association will offer three prizes, \$150, \$100 and \$50, to local junior chambers of commerce for the best safety program with special emphasis on the prevention of kerosene fires. The contest will run from September 1, 1956, to August 31, 1957.

Directors have voted to ask National Bureau companies to make the uninsured motorist endorsement available in Tennessee on an optional basis. The executive committee added that it is essential to have some voluntary coverage available before next year's legislative session.

Nashville Agents Use Do-It-Yourself Twist

Insurers of Nashville is using the "do-it-yourself" fad in reverse to promote local, independent agency insurance. The organization's current group newspaper advertisements read: "Do-it-yourself can be fun, but it can be dangerous too. Insurance is a highly technical, involved business science known only to the men who spend their lives studying it—the qualified, independent insurance agents. If do-it-yourself insurance is not right, you find out only after you have a loss—and you pay for finding out."

Pa. UM Study Unit to Seek Insurance Views on New Law

Insurance spokesmen and the public will be invited to present their views to the governor's committee on the uninsured motorist problem at future meetings in Harrisburg, Pittsburgh and Philadelphia.

The committee has submitted a progress report to Gov. Leader showing that studies of existing laws in several states and Canada have been made with an eye to incorporating their best features into a revision of the existing Pennsylvania motor vehicle safety responsibility act.

Wyo. Engineer Wins Casualty Assn. Prize

Robert C. O'Connell, Wyoming highway department engineer, has won the \$100 top prize for analysis of a speed control problem in the 1955 national traffic engineering competition staged by Assn. of Casualty & Surety Companies.

Gov. Simpson of Wyoming presented the award to Mr. O'Connell who recommended an increase in the speed limit at a dangerous intersection near Cokeville, Wyo., to prevent accidents. Despite local opposition, the change was made and accidents at the intersection decreased from two the previous year to none the following year.

Gibson Named President of Twin City Auditors

Insurance Auditors Assn. of the Twin Cities (St. Paul-Minneapolis) have elected Z. E. Gibson of Hartford Accident president.

Other officers are George Falconer of American Casualty, vice-president; A. R. Manley of Employers Mutual, secretary, and Theodore Rudberg of Anchor Casualty, treasurer. Directors are L. B. Gleason of Anchor Casualty, William Laux of Standard Accident and M. A. Hahn of Hartford Accident.

Keefe to Peerless H. O.

John W. Keefe Jr. has been appointed by Peerless as casualty underwriter at the home office. He has been with Southern Fire & Casualty of Knoxville, and has 23 years of insurance experience with Liberty Mutual, Aetna Casualty and National Assn. of Industrial Underwriters.



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FIELD

Rhode Island Field Men Hear Providence Fire Chief

Rhode Island Fieldmen's Assn. at a meeting in Providence heard Chief Lewis Marshall of the Providence fire department discuss recent incendiary fires in the city and how reserve apparatus was effectively brought in to service by off-duty firemen in accordance with prearranged plans of the department.

Robert S. Plumb of Home, co-chairman of the educational committee, reported that panel discussions on homeowners policies were being held at local board meetings under the sponsorship of the state association.

Wintermeyer Named by Pearl Group in Ind.

Pearl-American group has appointed K. G. Wintermeyer special agent in Indiana, replacing P. L. Johnson, who has resigned. Mr. Wintermeyer, a graduate of Illinois Institute, joined National Inspection Co. in Chicago in 1946 following army service. He went with the Pearl group in 1953 as special agent in Chicago and Cook county. His headquarters will be at 5948 College avenue, Indianapolis.

Conway to National Union as Northwest State Agent

James J. Conway has joined National Union as state agent for Oregon and southern Washington with headquarters at Portland. He succeeds George Rolander, who joined American as Oregon state agent.

Mr. Conway was formerly special agent in Oregon for National of Hartford.

Conley to Tex. Field Post for Southwest General

Homer M. Conley has joined Southwest General as special agent for south Texas with headquarters at San Antonio.

He was formerly a special agent in Texas for Employers group and has had local agency experience. He taught CPCU classes at Midwestern university.

Dickerson to La. Field for Fireman's Fund

Fireman's Fund has named H. M. Dickerson marine special agent for Louisiana.

Mr. Dickerson will have headquarters at New Orleans and will be associated with branch manager G. Earl Williams.

To Reactivate Miami Puddle

CINCINNATI—Reactivation of Miami Valley puddle of Ohio Blue Goose is planned, and a nominating committee consisting W. J. Andrie, National Fire; W. A. Gibson Jr., North British, and H. M. Hammer, U.S.F.&G. has been appointed to present a slate of officers at the next meeting. R. E. Sewell, Royal-Liverpool group, presided at the reorganization meeting.

Inspect Sullivan, Ind.

Indiana Fire Prevention Assn. inspected Sullivan, criticizing 139 of the 169 buildings inspected and making 516 recommendations.

Five deputy state fire marshals and 25 local Boy Scouts assisted the field men who participated in the inspection.

Robert F. Hamm of the Indiana Rating Bureau spoke on fire preven-

tion at a luncheon sponsored by the local retail merchants association.

New American Field Men in Mich., Okla.

William L. Donmoyer has been named special agent for American at Detroit. He will assist State Agent E. B. Martineau with the production and underwriting of casualty business. He has been special agent of Fireman's Fund. The Detroit office is at 15911 West Seven Mile road.

American has appointed Willis A. Hart special agent for the state of Oklahoma. He replaces Special Agent Bill J. Blundell, who has resigned to enter the local agency business. His office is located at 2901 Classen boulevard, Oklahoma City.

License Chief to Talk to N. J. Field Men

Harold Conover, chief of the license division of New Jersey insurance department, will address New Jersey Fieldmen's Assn. April 23 at Robert Treat hotel, Newark. His talk will cover licensing laws and agents' qualification examinations.

Gullick to S. C. for Cobb General Agency

James O. Cobb & Co., managing general agents of Durham, N. C., has appointed C. Lee Gullick Jr. state agent at Greenville, S. C. Prior to entering the field he was a local agent in Greenville for many years.

Moro Named in Ohio for Buckeye Union Group

John A. Moro has been appointed special agent for Buckeye Union group in southeastern Ohio with headquarters at Lima. He was formerly with Riverside Builders, Inc., and Nationwide Mutual as an adjuster. He has been with Buckeye Union since 1953.

Graf to Kan., Mo. Field for Great American

Eugene L. Graf has been named inland marine special agent for Great American in Kansas and Missouri.

He has several years of insurance experience and during the last year and a half has been a marine underwriter at the company's Chicago office.

Fireman's Fund Names Lossman to Illinois Field

Fireman's Fund has named J. R. Lossman state agent for central Illinois with headquarters at Peoria.

Underwood to Whalley & Co.

John A. Whalley & Co., general agents at Seattle and Spokane, has named Lynn Underwood special agent for western Washington with headquarters at Seattle.

He had been with Washington Surveying & Rating Bureau for five years.

Mohaak Flight Gathers

The Mohaak Flight of Blue Goose is holding its annual meeting this week at Joplin, Mo., with the Oklahoma pond as hosts. The Mohaak Flight is a joint meeting of the Missouri, Oklahoma and Kansas ponds.

Smoke & Cinder Club to Celebrate

Smoke & Cinder Club, field men's organization in western Pennsylvania, will mark its golden anniversary with a dinner-dance April 16 at Hotel William Penn, Pittsburgh. The organization is the oldest capital stock company field men's club in the country.

Charles S. Shippey has resigned as special agent for National of Hartford at Portland, Ore.

A & S

Blue Cross Plans Meet in Florida

Robert T. Evans, executive director of Blue Cross Plan for Hospital Care, Chicago, has been elected chairman of the Blue Cross commission of American Hospital Assn., the national coordinating agency for the 86 approved Blue Cross plans in the United States, Puerto Rico and Canada. The election was held at the closing session of the annual conference of Blue Cross plans at Hollywood, Fla.

Other officers elected were: Charles Garside, Associated Hospital Service of New York, vice-chairman, and D. Lane Tynes, Blue Cross Hospital Plan, Inc., Louisville, treasurer. John R. Hill, Tennessee Hospital Service Assn., Chattanooga, and Dr. Kenneth B. Babcock, director of the joint commission on accreditation, Chicago, were elected to the executive committee.

The conference opened with an address by Marion B. Folsom, Secretary of Health, Education & Welfare.

Pru Man Urges Teaching of A&S in High Schools

W. B. Cornett, director of sales and service in Prudential's A&S department, told a meeting of Indianapolis A&H Assn. that the industries should do more to encourage colleges, universities and even high schools to teach A&S insurance. He said encouragement of high school and college courses in A&S might be a project to be undertaken by International Assn. of Accident & Health Underwriters. Mr. Cornett is a past president of IAAHU. Mr. Cornett also emphasized the need for more programming in A&S, stressing particularly a need for integrated programming of life and disability coverages. "We are trading some risk situations nowadays, piling coverage on coverage vertically instead of spreading it out more horizontally," he said. He expressed the opinion that no one living will ever see saturation of the market for A&S. "Despite the phenomenal growth of A&S during this decade and the great number of people covered, there is still a vast gap between the total wages paid in the U.S. and the amount covered by disability insurance," he said.

N.C. Hospital Assn. Given Conversion Plan

Commissioner Gold of North Carolina has ruled that officials of State Hospital Association acted improperly in methods they used in seeking to guarantee themselves control of the stock A&S company into which they sought to convert the association. He allowed the officials 40 days in which to decide whether to accept his regulations for the conversion. Mr. Gold said he would allow the conversion to proceed only under the supervision of three impartial trustees according to definite regulations outlined by his office.

FTC Gives Decision on Travelers Health Assn.

The initial decision issued in the case of Travelers Health Association, Omaha, in which the company was charged with using false and misleading advertising by the federal trade commission, would require the company to reveal, in advertising, the provisions in its A&S policies which limit

benefits payable. The hearing was held in Washington, D.C.

FTC Hearing Examiner Cox held that the FTC has jurisdiction over the company's advertising outside of Nebraska. He held that in circular letters and applications mailed to prospects, the insurer failed, in instances, to disclose exclusions and what benefits are paid. Other charges in the complaint, he said, were not proved by reliable probative, substantial evidence.

S.C. Law Limits A&S Benefits to Loss

One of South Carolina's new A&S laws limits benefits to actual expense. It would prevent a person from obtaining duplicate benefits by owning two or more policies. It would also limit time loss benefits to actual loss and a maximum of \$200 a month.

Premiums for any policy amount above actual expense, or in excess of time loss amounts of \$200 a month, would be returned to the policyholder. Actual benefits would be prorated among the policies held.

Wood Joins Continental Casualty in A&S Post

Continental Casualty has named John Wood superintendent of agents for its A&S wholesale division.

Mr. Wood will spearhead a proposed expansion of the division's operations. Before his appointment at Continental, Mr. Wood was a field trainer for a midwestern A&S company.

Iowa A&S Sales Congress, Election Set for May 11

DES MOINES—Iowa Assn. of A&H Underwriters will hold its state convention and sales congress here May 11. Paul H. Seltz, Des Moines Casualty, is president.

NAIC A&S Rules in Kansas

Commissioner Sullivan has adopted the NAIC advertising rules for A&S business in Kansas.

STOCKS

	Bid	Asked
Aetna Casualty	119	123
Aetna Fire	70	72
Aetna Life	183	187
Agricultural	34½	35½
American Equitable	38½	39½
American Auto	24	25
American, (N.J.)	28½	29½
American Motorists	14	15
American Surety	94	98
Boston	37½	38½
Camden Fire	28	29
Continental Casualty	105	108
Crum & Forster com.	64½	66
Federal	37	38½
Fire Association	58½	60
Fireman's Fund	66½	68
Firemen's, (N.J.)	43	44
General Reinsurance	49	50
Glens Falls	71½	73
Globe & Republic	24	25
Great American Fire	40	41½
Hartford Fire	164½	167
Hanover Fire	46	47
Home (N.Y.)	49	50
Ins. Co. of No. America	96½	98½
Maryland Casualty	33¾	34¾
Mass. Bonding	40¾	41¾
National Casualty	55	58
National Fire	110	115
National Union	43	44½
New Amsterdam Cas.	48	50
New Hampshire	43	44½
North River	39	41
Ohio Casualty	100	105
Phoenix Conn.	79	81
Prov. Wash.	23½	24½
St. Paul F.&M.	59	61
Security, Conn.	50	52
Springfield F.&M.	57	58½
Standard Accident	49½	51
Travelers	77½	79
U.S.F.&G.	60½	62
U.S. Fire	26½	27½

List 243 Initial Charter Members of HIAA

It was announced after reading the roll of members of Health Insurance Assn. at Cincinnati that these 243 companies constitute the "initial charter membership." There are about 50 applications still being processed, and a number of these companies will become members. Because it was not possible to finish processing of their applications by the time of the Cincinnati meeting, an additional 60 days has been allotted during which any companies admitted will be on the charter membership list.

The companies belonging to HIAA at the time of the organizational meeting were:

Aetna Fire
Aetna Life
All American Life & Casualty, Park Ridge, Ill.
American Benefit, Minneapolis
American Casualty
American Employers
American Farmers Mutual, Chicago
American General Life, Houston
American Guarantee & Liability
American Hardware Mutual, Minneapolis
American Health, Baltimore
American Hospital & Life, San Antonio
American Income Life, Indianapolis
American, Newark
American Life & Casualty, Fargo
American Manufacturers Mutual, Chicago
American Motorists
American Mutual Liability
American National, Galveston
American Policyholders
American Republic, Des Moines
American United Life, Indianapolis
Atlantic Life
Atlas Life, Tulsa
Bankers Life, Des Moines
Bankers Life, Lincoln
Bankers National Life
Bankers Security Life, New York
Benefit Association of Railway Employees
Berkshire Life
Boston
British Pacific
Business Men's Assurance
Canada Life
Capitol Life, Denver
Carolina Casualty
Central Assurance, Columbus
Central Standard Indemnity
Central States Health & Accident, Omaha
Century Indemnity
Colonial Life & Accident, Columbia, S. C.
Columbia Casualty
Columbian Mutual Life
Columbian National Life
Combined American, Dallas
Combined, Chicago
Commercial of Newark
Commercial Travelers Mutual Accident, Utica
Commonwealth Mutual, Baltimore
Community Mutual, Philadelphia
Companion Life
Confederation Life
Connecticut General Life
Continental Assurance
Continental Casualty
Craftsman
Crown Life, Toronto
Detroit Mutual
Eastern Casualty
Eastern Commercial Travelers Accident & Health, Boston
Educators Mutual
Empire State Mutual Life
Employers Casualty, Dallas
Employers Fire
Employers Liability
Employers Liability, Montreal
Employers Mutual Casualty, Des Moines
Employers Mutual Liability, Wausau
Employers Reinsurance
Equitable Society
Farmers & Bankers Life
Federal Life & Casualty

Federal Life, Chicago
Federal Mutual Casualty, Milwaukee
Federated Mutual Implement & Hardware
Fidelity & Casualty
Fidelity Life & Income Mutual, Benton Harbor, Mich.
Fireman's Fund Indemnity
Fireman's Fund
First National Casualty, Fond du Lac, Wis.
General Accident
General American Life
General Reinsurance
Guardian, Dallas
Glens Falls
Globe Indemnity
Golden State Mutual Life
Government Employees Life
Great American Indemnity
Great American Reserve
Great Eastern Mutual Life, Denver
Great National Life
Great Southern Life
Great-West Life
Group Health Mutual, St. Paul
Guarantee Mutual Life, Omaha
Guaranty Union Life
Guardian Life
Gulf Life
Hardware Mutual Casualty, Stevens Point, Wis.
Hartford Accident
Hearthstone, Boston
Home Fire & Marine
Home Indemnity
Home Life
Hoosier Casualty
Illinois Commercial Men's Association
Illinois Mutual Casualty
Illinois Traveling Men's Health
Imperial Life, Toronto
Indemnity of North America
Indianapolis Life
Industrial Life, Quebec
Inter-Ocean
Inter-State Assurance, Des Moines
Interstate Life & Accident
Iowa State Traveling Men's Association
Jefferson National Life
Kentucky Central Life & Accident
Liberty Life
Liberty Mutual
Life of Virginia
Lincoln Mutual Life & Casualty, Fargo
Lincoln National Life
London & Lancashire Indemnity
London Guarantee & Accident
London Life
Loyal Protective Life
Lumbermen's Mutual Casualty
Maryland Casualty
Massachusetts Bonding
Massachusetts Casualty
Massachusetts Mutual Life
Massachusetts Protective
Metropolitan Casualty
Metropolitan Life
Michigan Life
Midland Mutual Life
Midland National Life
Midwest Life, Lincoln
Ministers Life & Casualty Union
Minnesota Commercial Men's Association
Minnesota Protective
Monarch Life
Municipal, Chicago
Mutual Benefit Health & Accident
Mutual Benefit Life, Newark
Mutual Life of New York
National Accident & Health
National Casualty
National Fidelity Life, Kansas City
National Fire
National Home Life
National Life & Accident
National Life of the Philippines
National Masonic Provident
National Surety
National Travelers
Nationwide Mutual
New Amsterdam Casualty
Newark
New England Mutual Life
New York Life
North American Accident
North American Casualty & Surety Reinsurance
North American Life & Casualty

North American Life
North American Reassurance
North Central Life, St. Paul
Northern Life, Seattle
Northwestern Life
Ocean Accident
Ohio State Life
Old Colony
Old Line Life
Old Republic Life, Chicago
Order of Railway Employees
Pan-American Life
Paul Revere Life
Peerless
Phoenix of London
Physicians Casualty, Omaha
Pilot Life
Pioneer Mutual Casualty, Columbus
Pioneer Mutual Life, Fargo
Postal Life & Casualty
Potomac
Poulsen, Chicago
Preferred Life, Dallas
Progressive Life
Protective Life, Birmingham
Provident Life & Accident
Provident Life, Bismarck
Provident Mutual Life
Queen
Republic National Life
Royal Indemnity
Rio Grande National Life
St. Paul Hospital & Casualty
Saint Paul-Mercury Indemnity
Secured, Indianapolis
Security Life & Accident
Security Mutual Life, Binghamton
Security Mutual Life, Lincoln
Southland Life
Southwest Indemnity & Life
Standard Accident
Standard, Portland, Ore.
Standard of New York
State Automobile, Des Moines
State Mutual Life, Mass.
Sun
Sun Life of Canada
Teachers Protective Mutual Life
Time, Milwaukee
Transcontinental
Transportation
Travelers Health
Travelers
Union Labor Life
Union Mutual Life
United Benefit Life
United, Chicago
United Life & Accident
United Pacific
United States Casualty
U.S.F.&G.
United States Life
Utica Mutual
Vermont Accident
Victory Mutual Life, Chicago
Washington National
West Coast Life
Western Casualty
Western Life, Hamilton, Canada
Wisconsin National Life
Woodmen Accident & Life
World Fire & Marine
World, Omaha
Zurich

Public Relations Aims for AES Told by Vanderbrouk

CINCINNATI—Frank S. Vanderbrouk, president of Monarch Life and chairman of the important public relations committee of Health Assn. of America, outlined some of the plans for this activity as they are so far developed. Until now, he explained, there has been a limitation to the effectiveness of any trade association PR activity in that no one group could speak for the business as a whole. Institute of Health Insurance, which is to be set up within the framework of Institute of Life Insurance, will be in a position to offer information in behalf of the industry, unified in a single body.

A public relations program has to be gotten under way immediately, Mr. Vanderbrouk said, and it needs "total participation" of the industry. The job can't be accomplished by the committee or the staff alone. The committee can formulate a program and the staff can guide it along, he observed, but the business itself must have a public relations consciousness.

What the committee plans is not in the nature of a "whitewash job," Mr. Vanderbrouk declared. Public relations cannot be regarded in any light other than the public interest. Within the industry it starts with top management, "and no place else."

Because of the size of the A&S business, it is important to the economy and there is much the public should be told. Mr. Vanderbrouk said the public relations committee will disseminate information on how health insurance is sold, what it is, facts about costs, coverages, claims, etc. Since a great many companies of various types of operations are involved, the compendium of information will have to be made up by the staff with material supplied by the members, and Mr. Vanderbrouk asked for cooperation in supplying data. The information developed will be given to writers, newspapers and others who will have it available as source material on the A&S business. Further, the committee, or Institute of Health Insurance, will maintain a flow of news and interpretative matter to the papers.

In time an advertising program will be undertaken.

Howell Speaks at N. J. Banquet

Commissioner Howell of New Jersey is speaking at the past presidents' night of Hudson County (N. J.) Assn. of Insurance Agents in Jersey City. The occasion is to honor all of the organization's past presidents.

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Frederic Remington

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BERKSHIRE MUTUAL
FIRE INSURANCE COMPANY
PITTSFIELD, MASSACHUSETTS

SERVING THROUGH LOCAL AGENTS SINCE 1835

AMA Secretary Calls for Candid Approach To Health Problems

Dr. George F. Lull, secretary and general manager of the 110 year old American Medical Assn., addressing the organization meeting of Health Insurance Assn. at Cincinnati, said the A&S insurance business has the closest parallel of interest to medicine of any other business. Nevertheless, he admitted, the groups have problems, and they must be faced objectively.

Dr. Lull said in his official travels throughout the country he has discussed with many insurance executives what appeared to them to be downright dishonesty or total lack of understanding on the part of doctors in their relationships with insurers. "When I suggest that the facts of the case be referred to the local county medical society grievance committee, they listen intently and agree that such a mechanism can do much to enhance the profession's standing. Further conversation often reveals the attitude, however, that while perhaps patients should be encouraged to use this service, it could be bad business for the insurance company. The argument is that the grievance committee may consider the charges unfounded and develop a hostile attitude toward the company. As long as the insurance industry takes this attitude, the problem is difficult to solve."

The actions of a very small percentage of unethical and dishonest practitioners adversely affect the entire profession, Dr. Lull observed. Most physicians are sincere in their desire to discipline these unethical practitioners. The profession appreciates the danger of permitting a member to overcharge without danger of censure.

With the rapid growth of major hos-

pital and medical expense coverage on a deductible basis combined with elements of coinsurance, the doctor said, it becomes increasingly important that the medical profession and the insurance industry encourage this type of coverage and at the same time maintain and utilize appropriate safeguards.

Insurance companies, Dr. Lull urged, should take advantage of the service the medical profession has established through its grievance committees. Appropriate procedures can be worked out through the industry medical relations committee and the doctor's council on medical service to the mutual benefit of the industry, the public and the medical profession.

The results of a survey of the attitudes of physicians with respect to voluntary health insurance were summarized by Dr. Lull. He explained the survey was sanctioned by the council on medical service of AMA and conducted by one of its committees. The so-called universe was approximately 15,000 physicians selected at random, nearly 8,000 of whom took time to respond to a detailed questionnaire.

Among the conclusions drawn from the responses were:

1. Blue Shield and private insurance programs were most frequently mentioned as being available in the areas where the respondents practiced. These were also listed as most satisfactory to them (physicians).

2. The majority of responding physicians believe that health insurance should be underwritten by all types of agencies on a competitive basis.

3. Over half of the respondents are of the opinion that the primary function of health insurance is to provide financial assistance. This was gratifying Dr. Lull said, since the AMA has long maintained the position that these programs were mechanisms to aid the recipients of health care in the financing of such care. In other words, health insurance helps the insured persons meet their own financial responsibilities rather than being any guarantee of either the availability or actual provision of such care.

4. A large majority (over three-fourths) of the respondents expressed the belief that insured patients should pay some portion of medical care cost in addition to the premiums for his health insurance coverage. He commented that the last two observations indicate that an appreciable number of physicians believe that some element of coinsurance is either necessary or desirable. That the physicians apparently subscribe to the coinsurance principle is fairly obvious although no per cent of risk sharing by the insured was established since the term coinsurance was not used in the questionnaire.

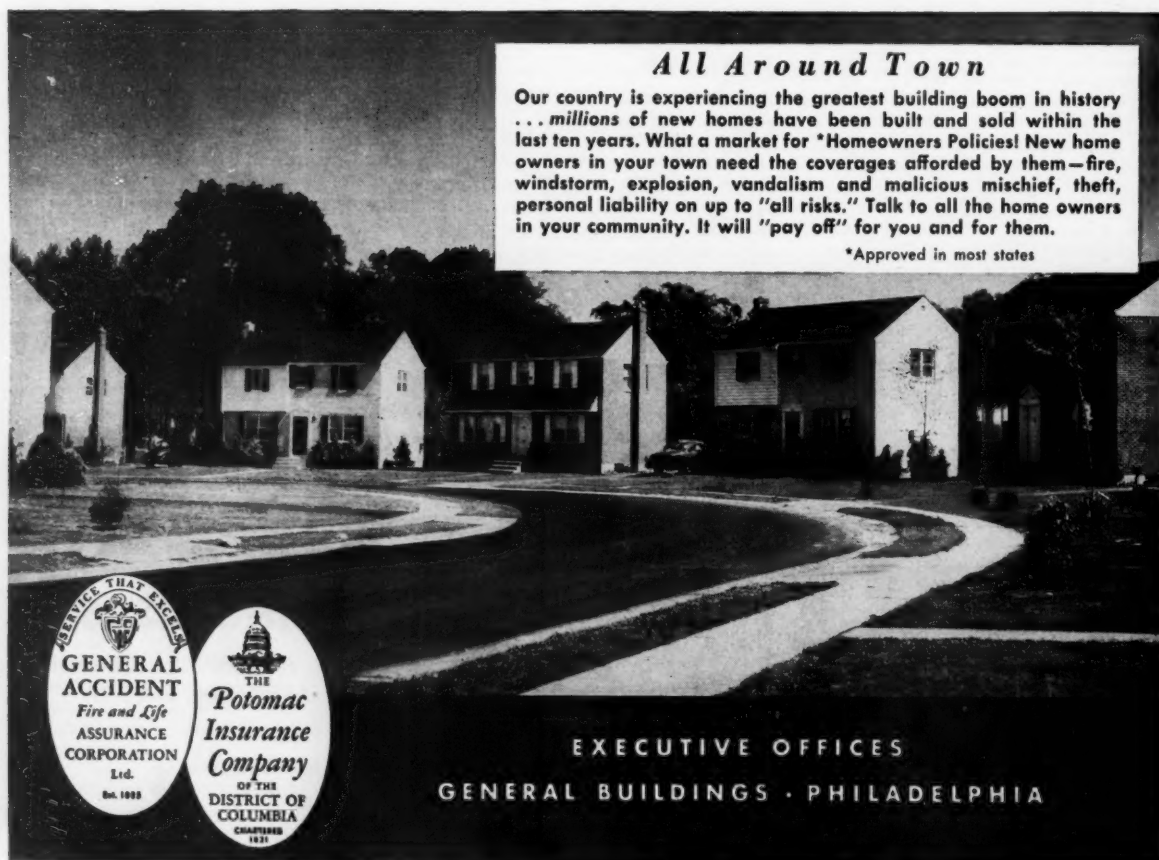
5. Over half of the responding physicians were of the opinion that insured patients assumed their insurance payments or allowances would cover the entire professional fee. Among the reasons listed were: Unclear statements in the policies; misrepresentation by salesmen; or lack of thorough understanding of the coverage by the patient.

6. Approximately 20% of the respondents were of the belief that physicians might tend to increase fees when treating patients who carried insurance. Some rationalized it as a means of promoting the principle of coinsurance while others felt that the added "paper work" in connection with health insurance justifies some additional compensation.

All Around Town

Our country is experiencing the greatest building boom in history . . . millions of new homes have been built and sold within the last ten years. What a market for "Homeowners Policies! New home owners in your town need the coverages afforded by them—fire, windstorm, explosion, vandalism and malicious mischief, theft, personal liability on up to "all risks." Talk to all the home owners in your community. It will "pay off" for you and for them.

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EXECUTIVE OFFICES

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Card Set for AMA Insurance Parley

The program has been completed for the spring insurance conference sponsored by American Management Assn. May 9-11 at the Roosevelt hotel in New York.

Russell B. Gallagher, insurance buyer of Philco Corp., Philadelphia, will be chairman at the morning session and Frazier S. Wilson, insurance manager of United Airlines, will preside at the afternoon session the first day.

John A. Fuller, president of Shawinigan Water & Power Co., Montreal, will discuss a catastrophe approach to group protection, describing how his company's plan was chosen and analyzing its features. Charles E. Tosch, account executive of Johnson & Higgins, New York, will talk on special insurance plans as executive incentives, describing some typical plans such as special retirement programs, superimposed life insurance, split dollar life, extended disability coverage and stock options.

Albert J. Ingley, manager of insurance for Diamond Alkali Co., Cleveland, will lead off a panel session on managing corporate risks with a discussion of risk analysis. George H. Connerat, Republic Aviation Corp., Farmingdale, N.Y., will discuss risk abatement and A. G. Westcott, secretary of Union Ice Co., San Francisco, will talk on risk insurance on the same panel.

On the second day the chairmen will be Raymond Cox, insurance director of Merritt-Chapman & Scott Corp., New York, and Anthony W. Fitzgerald, legal editor of the *Weekly Underwriter*. The morning session will consist of a panel discussion on foreign insurance. Speakers will be Percy Chubb II of Chubb & Son; E. A. G. Manton, president of American International Underwriters; W. T. McWhorter, manager of the insurance division of Procter & Gamble; Alexander B. Steward, underwriting member of London Lloyds; and R. Maynard Toelle, secretary of American Foreign Insurance Association.

An informal luncheon will be held after the panel session.

The effectiveness of hold harmless agreements in contractual liability will be the subject of a panel session that afternoon. Speakers scheduled are A. L. Benjamin, director of insurance of Cincinnati Gas & Electric Co.; Neill Crowley, assistant insurance manager of American Cyanamid Co., New York; John P. Faude, counsel of Aetna Casualty; and Harry C. Foster Jr., research

underwriter and assistant secretary of Utica Mutual.

Friday's session will be presided over by Claude H. Rice, insurance manager of Babcock & Wilcox Co., New York. Discussions will be on nuclear risks and their affect on corporate insurance by A. L. Papenfuss, vice-president of Employers Mutual of Wausau, Wis., and on fire deductibles by Lon Varnadore, insurance manager of Weyerhaeuser Timber Co., Tacoma, Wash.

The closing luncheon speaker will be Dr. H. W. Snider, associate professor of insurance at Illinois Wesleyan university, on "Can Risk Management Achieve Professional Status?"

Propose Settlement Pool for Ore Ship Claimants

CLEVELAND—A settlement pool of approximately \$315,000 has been proposed to dispose of claims resulting from the sinking of the ore carrier Henry Steinbrenner, owned by the Kinsman Transit Co., Cleveland. The fund would be divided among families of 17 seamen who died and 14 crewmen who survived the disaster in a storm March 11, 1953. Suits seeking more than \$4 million are pending in U.S. district court in Cleveland.

District Judge Paul Jones has urged both sides to seek a settlement, and will hold a pre-trial conference April 27 to confer with attorneys for three claimants who reportedly have not yet agreed to the settlement plan. Judge Jones, in urging a settlement, is following a similar action taken by him in suits following the burning of the S.S. Noronic at Toronto in 1949, in which 119 passengers died. Claimants accepted \$2,150,000 in that case rather than go through the expense of a long trial.

In addition to wrongful death claims, there also is pending a \$60,000 claim against the Steinbrenner's owners from the Bethlehem Steel Co., which owned the ore cargo that went down with the ship. It was reported a separate settlement of this claim has tentatively been reached.

Benson-Eldredge Changes

H. F. Benson Sr., founder and head of the Benson-Eldredge general agency of Salt Lake, and Mrs. Benson have sold their interests in the business to the remaining partners, H. F. Benson Jr., E. G. Eldredge, and D. G. Eldredge, who will operate the business at the same location and under the same name. Mr. Benson Sr. two years ago stepped down as directing head of the general agency and the other partners have had active management. Mrs. Benson will continue with the general agency temporarily.

Benson-Eldredge was founded by Mr. Benson Sr. more than 20 years ago. H. F. Benson Jr. joined the firm after

returning from military service in 1946, and E. G. Eldredge and his son, D. G. Eldredge, joined the agency in 1951 and consolidated their own general agency with the Benson company.

Loyalty Group Booklet Gives Explanation of Mercantile Block

Loyalty group has distributed among its field men a booklet on mercantile

block coverage. Consisting of 12 pages plus a completed rating plan worksheet, the booklet covers the subject through questions and answers covering not only form language and application but rules and rating methods.

Vice-president W. J. Christensen prepared the booklet and free copies may be obtained by writing him at 10 Park Place, Newark 1, N.J.

NO. 5 OF A SERIES

Service does Pay



Says a Pearl-American Agent in Connecticut. This is his story:

"Shortly after I started in business your field man explained how worthwhile leads could be obtained by rate analysis work. Armed with this knowledge, I succeeded in securing several 'agent of record' letters. One of these resulted in

the clearing of a charge for an electrical defect which no longer existed. Naturally the resulting return premium made the owner, who also owned some fifty other properties, very happy. Two months later he rewarded me with a 'crack' at a large shopping center which he was having built. Your field man and I went over the plans and I succeeded in convincing my client that he should divide the building into two additional fire sections with a consequent premium saving of approximately \$1,000 annually. Result to-date? A \$7,000 5-year premium for me and a better risk for the community."

Every Pearl-American Agent has at his command the facilities of one of the world's greatest companies. We invite your inquiry.

WE BELIEVE

the properly qualified "Independent" local agent can best SERVE the insuring public. Unlike the "Captive" agent he is free to utilize the insurance facilities of the world. In the present and continuing struggle between "Independent" and "Captive" agents it is important that this capacity of THE "Independent Local Agent" to SERVE be emphasized again and again. This series of twelve actual stories of everyday service rendered by "Independent" agents is published in that spirit. Reprints are available without cost or obligation.

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"CHOOSE YOUR COMPANY AS YOU CHOOSE YOUR FRIENDS"

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WEST BEND, WISCONSIN

STANDARD—UNIFORM
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Chas. W. Walter
President



ESTABLISHED 1894

UNEXCELLED SERVICE
AN AGENCY COMPANY

Robert S. Barber
Secretary

PREFERRED RISKS
SPECIAL RATES

RATED BY "BESTS"
"A" + EXCELLENT

WE INVITE AGENCY INQUIRIES IN FLORIDA, ILLINOIS, INDIANA, IOWA, MINNESOTA AND WISCONSIN. CERTAIN TERRITORIES OPEN FOR AGENCY REPRESENTATION.

Liberty Mutual's Premiums Drop \$3 Million in 1955

Liberty Mutual's total premiums written dropped \$3,192,000 to \$225,842,000 in 1955, but surplus to stockholders increased \$14,300,950 to \$83,892,792, according to the annual report of S. Bruce Black, chairman.

The company is again the nation's top insurer for workmen's compensation with premiums totaling \$103,685,169, a drop of more than \$4 million from 1954. Mr. Black said the drop reflected the decrease in accident frequency in policyholders' plants. He said that \$8,900,000 of premiums in the form of retrospective rating adjustments, in addition to dividends, were returned to WC policyholders whose safety work resulted in favorable loss experience. He also noted that despite the drop in total premiums, the company recorded a net gain in policyholders insured in 1955.

Losses totaled \$132 million. The loss ratio dropped slightly from 59.4 to

59.2. Assets rose \$34,441,365 to \$437,901,111.

Mr. Black commented that the company during the past year organized five special departments to attain increased efficiency and more specialized service. The new departments are national risks, business risks, commercial risks, motor transport and personal risks.

He also reported the establishment by the company of a neurosurgical service and industrial rehabilitation center for paraplegics, sponsored jointly with Massachusetts memorial hospitals and Boston university medical school. The new service is located at Haynes Memorial hospital, Boston.

A loss prevention research project at Cornell university sponsored by the company and aimed at reducing fatalities and injuries in auto accidents, proved helpful in the development of seat belts for cars and structural improvements in car bodies and frames, Mr. Black added.

Brown New Camden Director

Amos J. Peaslee, who has been a director of Camden Fire for 10 years,

has resigned to become a special assistant to the President and deputy to Harold Stassen in world disarmament matters. Since 1953, Mr. Peaslee has been U.S. ambassador to Australia.

He is succeeded on the board by George H. Brown Jr., executive vice-president of Gerard Trust Corn Exchange Bank of Philadelphia.

Glow on Far West Insurer Stocks Brightest: Davis

California and west coast life companies will do better than the average company nationally, according to Shelby Cullom Davis, New York City, president of National Federation of Financial Analysts Societies, who discussed the advantages of investing in fire and life company shares at a meeting of Security Analysts of San Francisco.

Mr. Davis told the group that he finds fire company stocks more attractive now than in the past eight years and predicted they will do twice as well as the industrial average—barring more disastrous hurricanes.

For the long term, said Mr. Davis, life stocks are still the most attractive. He predicts that in a five-year period they will do better than fire company shares.

He forecast that auto companies are going to have lower earnings because of increasing accident frequency and continued high jury verdicts.

Speaking of west coast life companies, Mr. Davis said "they are thrice blessed"—first, by excellent management; secondly, because of their favorable situation geographically, and finally by their higher interest rates.

Camden Probes Auto Collision Cover Racket

Assn. of Casualty & Surety Companies and Camden county (N. Y.) prosecutor's office are conducting an investigation of a ring which allegedly collected more than \$100,000 in phony automobile insurance collision claims.

Involved in the alleged racket are some 12 garage owners in addition to possibly one or two insurance company adjusters, Prosecutor Mitchell H. Cohen said.

After racketeers purchased autos which were badly damaged in accidents, investigators said they obtained a transfer in registration and owner's title, bought collision insurance and put the car away. Then the new owner reported a hit and run accident or a crash into a tree. Some 20 insurance firms selling collision policies in Camden have been victimized so far, according to investigators.

Insurance Women of Seattle have elected the following officers: Beth Richardson, president; Olga Andrews, vice-president; Aileen Skirving, 2nd vice-president; Anna Mountain and Ilau Abramson, secretaries, and Mildred Turner, treasurer. Jean Veldwyk, Charlotte Hurt, Clara Martin, Bertha Sastan and Margaret Flood were named to the board.

HIAA Is Answer for Security Insurance Need, Dorsett Says

Predicting a bright future for the A&S business, J. Dewey Dorsett, general manager of Assn. of Casualty & Surety Companies, suggested, at the organizational meeting of Health Insurance Assn. of America at Cincinnati, that the companies face up to the needs of the times, increase public relations activities and not talk against insurance.

The people of the nation have transmuted a yearning for security into an undeniable determination to attain it, he said. More than 100 million persons in the country have some form of voluntary hospital surgical or medical expense coverage. There is little doubt that the public wants and is determined to have more complete security insurance than is now readily available. Contemporary experience shows that this desire crosses the threshold of A&S insurance and it brushes the doorsteps of government intervention.

Mr. Dorsett said it surprises him how little the public knows about insurance.

"I am unable to think of a single problem at least over the past decade, that could not have been avoided and probably completely stopped if we had gone out and told our story to the people before criticism started," he said. "Public relations is a powerful instrument at any time, when it is properly used; but it is most effective when it is employed to prevent misunderstanding and criticisms, rather than as a means of recapturing public confidence after it has been lost."

"Proof of this lesson came when a comparative handful of companies, most of them specialty writers, played fast and loose with A&S coverage—and shortly all companies in the field were smeared with the tar of suspicion in the public mind. I can assure you that we have always found the press as a whole most willing to cooperate when we have taken the time to explain our problems."

He suggested that insurance people stop talking against themselves. Too often they are their own worst and impractical critics, he said—they protest that the business is pricing itself out of certain markets, yet, when the facts are shown, they reveal that increases in insurance rates have lagged far behind the average commodity rise.

"We can be proud of our accomplishments, let's make them known," he said.

HOW TO BEAT
Cut Price Competition

... by providing better service—through time gained by greater office efficiency. Just ask our Agency Management Service Division.



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OF HARTFORD GROUP

The Phoenix Ins. Co.
The Connecticut Fire Ins. Co.
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Connecticut Underwriters, Inc.

128-130 ALLYN STREET
HARTFORD 3, CONNECTICUT

JOHN K. LAVERTY
Executive Vice President

HENRY T. KRAMER
Vice President

Revise Glass Rates in Several States

Glass insurance rates have been revised in 23 states and district of Columbia by National Bureau of Casualty Underwriters, effective April 18. The average effect is a 4% increase.

States affected by the changes are California, Colorado, Connecticut, Delaware, Idaho, Illinois, Louisiana, Maine, Maryland, Massachusetts, Missouri, Montana, New Hampshire, North Carolina, North Dakota, Oregon, Pennsylvania, Rhode Island,

South Carolina, South Dakota, Utah, Virginia and West Virginia.

Mutual Insurance Rating Bureau also has revised glass rates, effective April 18, in District of Columbia and Colorado, Connecticut, Delaware, Illinois, Louisiana, Maine, Maryland, Massachusetts, New Hampshire, North Carolina, North Dakota, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Virginia and West Virginia.

London Moves N. Y. Office in Weekend

London group has moved its New York City offices from 99 John street to temporary quarters at 55 John street. This is a step toward permanent occupancy in a new building under construction at 123 William street, which will be completed next April 1, when the 55 John street building will be integrated with the new structure.

The move from 99 John street was caused by the purchase of that building by Great American from North America. The move was effected in one weekend, starting at the close of business on April 13. Colored tags, attached to all furniture and fixtures, were the movers' guides in placing the furnishings at the new location. Telephones were installed during the evening and, according to Kenneth J. Bidwell, U.S. manager, the group's staff could have proceeded with business as usual, if necessary, on Saturday, April 14.

New Quarry Safety Procedures Published

American Standards Assn. has published a new code of safety procedures for quarries which is designed to eliminate serious hazards in quarrying and stone mining. Included in the code are 216 recommendations developed by Institute of Makers of Explosives. Of this number 50 articles deal with the safe storage of explosives in permanent magazines which are theft resistant, fire resistant and bullet resistant.

Safeguards are set up for all types of quarry blasting. Special instructions on safe electric blasting are included as well as precautions for blasting near radio stations.

Assn. of Casualty & Surety Companies and National Assn. of Mutual Casualty Companies were members of the association's committee on quarry safety procedure. The new book is available from American Standards Assn., 70 East 45th street, New York City.

Kan. Agents Hold Seminar

Dr. Curtis M. Elliott, professor of insurance at University of Nebraska college of business administration, discussed "Dwelling forms and home package policies" at a seminar sponsored by Kansas Fire Underwriters Assn. and Topeka Insurers at Topeka.

Other speakers on the program were J. E. Landreth, state agent of St. Paul F.&M. and Walter V. Freese, special agent of Great American. Taking part in the panel discussion were Russell R. Brown, fire and casualty rate supervisor, state insurance department; M. M. Douglass, manager Western Adjustment & Inspection and E. N. Harsha, assistant manager of Kansas Inspection Bureau.

Hansen Joins United Air Lines

Donald H. Hansen has been appointed regional claims manager in the insurance division of United Air Lines. He has been with State Farm Mutual Auto as adjuster in Colorado and Wyoming.

Md. Casualty to Advance Clifford

R. R. Dickinson, resident manager at Denver for Maryland Casualty, will retire April 30 after 34 years with the company. He will be succeeded by William F. Clifford, assistant manager.

Mr. Dickinson went to the company in 1922. He was appointed resident manager at Denver in 1926.

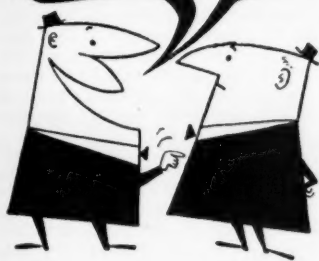
Mr. Clifford joined the company in 1936 at Kansas City as a casualty underwriter. He advanced to special agent, supervisor of agencies and as-

sistant manager at Kansas City. He transferred to Denver two years ago.

Pittsburgh Buyers Hear WC Talk

Kenneth W. Raymond, assistant claims manager of Liberty Mutual in the central division, addressed the April meeting of Insurance Buyers of Pittsburgh on "The Growing Costs of Workmen's Compensation." His talk was supplemented by a film, "A Place for Courage," which showed how the industrial disabled are returned to productive work through treatment at rehabilitation centers.

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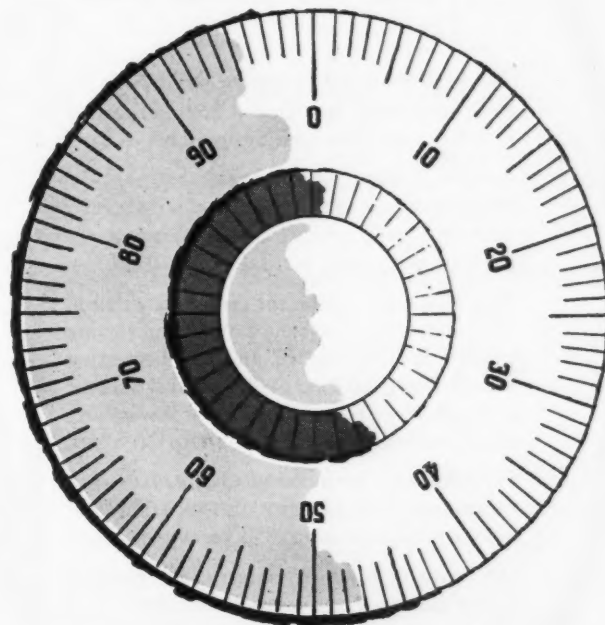
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CASUALTY STATISTICIAN

Fire company recently entering Casualty field needs Casualty Statistician with knowledge of Remington Rand equipment. This would mean setting up department from scratch and adapting present equipment to Casualty requirements. Company Home Office 500 miles from Chicago. **\$8,000**

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PROTECTION FOR THE OTHER HALF

Life underwriters looking for a relatively unexplored market may find it among the 45% of today's families who are renters.

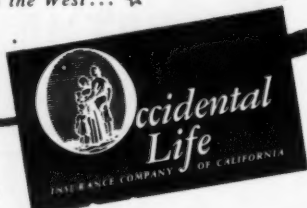
For while they own no homes, the rent demands payment every month just as insistently as mortgage payments do—even when the head of the family is disabled, or dead.

Men who worry about the rent if they should die or become disabled find a comforting answer in Occidental's Income Protection policy. Designed to provide monthly income at death, it will do that job—at lowest premiums—for any period of 10 to 50 years.

Supplemented with one of Occidental's time indemnity plans, it can also provide rent money when the insured is totally disabled.

One more use for a very versatile and popular Occidental plan—Income Protection.

"A Star in the West..."



HOME OFFICE: Los Angeles
W. B. STANNARD, Vice President

America Fore Offers N.A.C.&S. Re Names Agents' Ad Series Bart, Lewis V-Ps

America Fore group has prepared a series of 12 5-column advertisements for use in local newspaper campaigns conducted by agents' associations. The material was prepared because of a growing demand from the associations.

Mats of the ads will be provided to agents' groups at no cost and with no credit line requirement.

The advertisements stress the importance of buying insurance through the independent local agent, according to Frank Ennis, secretary and director of advertising, and are based on ads run by America Fore in national magazines. They have proved effective and can do an effective job for the independent local agents in their home town newspapers, he said.

An attractive booklet containing reproductions of the ads is being mailed to agents' associations throughout the country.

Service Mutual of Waco Elects New Officers

G. E. Armstrong has been elected president of Service Mutual of Waco. He succeeds Frank G. Cosgrove.

A. B. Conant has been named executive vice-president, C. R. Sliger vice-president and assistant secretary-treasurer, and W. H. Bielefeldt secretary-treasurer.

Mr. Armstrong was organizer of Service Mutual in 1930, and has been secretary-treasurer. Mr. Conant has been with the company for 17 years, and Mr. Sliger has been with Service Mutual for four years after experience with Texas Employers, Employers Casualty, Mountain States Rating Bureau and Insurers Indemnity. Mr. Bielefeldt has been an officer of Service for several years.

Mr. Cosgrove before joining Service Mutual in 1944 was an officer of Employers Reinsurance for 16 years.

New Jack Hill Office in Cal.

Jack Hill & Co., adjusters of San Bernardino, have opened an office at Barstow, Cal., with David L. Plummer as manager. Jack Hill, who operates the adjustment firm, is regional vice-president of National Assn. of Independent Insurance Adjusters, and will represent his territory at the annual meeting of NAIJA in Miami Beach May 2-5.

North American Casualty & Surety Re has appointed Edward Bart and Ralph C. Lewis vice-presidents.

Mr. Bart joined Swiss Re in Zurich, Switzerland, in 1940 and became an officer in 1950. He spent two years in Toronto assisting in the organization of Canadian Re, a Swiss Re affiliate. He joined North American Casualty & Surety Re last fall.

Mr. Lewis started in insurance with United Pacific in 1944. He joined Rainier National in 1946 and became executive vice president in 1953. He went to North American Casualty & Surety Re last year.

Jackson, Carter Promoted by Standard Accident

Robert L. Jackson and James B. Carter have been promoted by Standard Accident and Planet. Mr. Jackson, who has been manager of the agency department at the home office, becomes manager of the agency and field coordination departments which have been combined into one unit. Mr. Carter, who has had charge of the field coordination department, goes to Philadelphia as assistant manager.

Mr. Jackson joined Standard Accident at the home office in 1936, and was in the education and bonding department and in the Detroit branch office until 1947 when he went into the field at Detroit. Later he was at Grand Rapids, returning to the home office in 1950, the following year becoming assistant manager of the production department. He was made co-manager of the department in 1954 and later that same year became head of the newly organized agency department.

Mr. Carter started with the company in 1936 in the home office, and after service in several departments in 1951 was made assistant manager of the production department, and co-manager with Mr. Jackson in 1954. Later he took charge of the new field coordination department.

Thomas Named to N. B. Brokerage Division

North British group has appointed Harry G. Thomas special representative for the brokerage and service department in New York City under secretary K. W. O'Leary.

Mr. Thomas joined the company in 1922 at New York in the southern department. After serving as a field man in Louisiana, he was named general agent for the southern department in New York. He transferred as general agent of the central-western department in 1952 and has recently been in Kansas City in the newly-created western department.

Frost Goes Independent

E. L. Frost, who has been manager at Terre Haute, Ind., for Underwriters Adjusting, is opening his own adjusting firm there, Frost Claims Service.

Mr. Frost was with Underwriters for 24 years as adjuster and manager, and is a law graduate of Indiana university. His staff will include Bud Frost and John Frost.

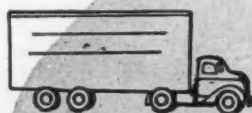
Bowman Heads Mont. Hail Board

E. K. Bowman has been reappointed to a three-year term as chairman of Montana Board of Hail Insurance by Gov. Aronson.

Mr. Bowman said rates on hail insurance may be reduced in 1956. He reported that less than .5% of personal assessment premiums remain unpaid for 1955 and that all of the 1955 hail adjusters have been reappointed.



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HOME OFFICE

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Challenge of Change N. Y. Mutual Agents Keynotes Oklahoma Ask C Change. Agents Annual Oppose UJF

The "Challenge of Change" is the theme for the convention of Oklahoma Assn. of Insurance Agents, which will be held May 14-15 at the Mayo hotel, Tulsa.

The program for the first day will include two talks on the role of government in the control and regulation of the insurance industry. "The Federal Influences Are Showing" will be the topic for Maurice G. Herndon, Washington representative of the National Assn. of Insurance Agents. Commissioner Hunt of Oklahoma will speak on "Do We Need an F.D.I.C. Plan for the Insurance Industry?" The program for Monday will also include speeches by George W. Jordan, assistant general manager of General Adjustment Bureau's southwest department at Dallas, and Sam H. Stewart of the American Agency Co., Tulsa.

Former U. S. Senator Josh Lee will deliver an address Tuesday entitled "The Success Insurance Company." Also on the program is George Malcolm-Smith, assistant public relations manager of Travelers. A panel of newspapermen discussing "The Local Agent and His Newspaper" will conclude the program. Panelists will be: N. G. Henthorne Jr., *Tulsa World*; L. F. Bellatti, *Stillwater News-Press*, and John L. Stone, *Phoenix & Times Democrat* of Muskogee.

Homer W. Peay, association president, will preside over convention sessions.

Entertainment highlights will include a gridiron presentation "The Good Ole Days" by Insurance Women of Tulsa and a banquet and dance Tuesday.

Dale & Co. of Toronto Forms Reinsurance Firm

Dale & Company, Ltd., Toronto brokers, has formed a new firm of reinsurance brokers in conjunction with Sedgwick, Collins of London. The new organization will offer reinsurance service on all classes and is known as Dale, Sedgwick, Ltd. Offices are at 6 Adelaide Street, East, Toronto.

H. A. Spitteler of Sedgwick, Collins is manager of Dale, Sedgwick.

Ward L. Howard of Gouverneur was elected president of Mutual Agents Assn. of New York state at the annual meeting in Syracuse. More than 600 attended. Other officers are Paul A. Garrick of Medina and Charles R. Kroeger of Norwich, vice-presidents, J. Lewis DuMond of Cobleskill, secretary, and Norris H. Dann of Endicott, treasurer. Directors are Mr. Garrick, Clark V. Stafford of North Tonawanda, George P. Tobler of Smithtown, Roland A. Augustine of Kingston, and John W. Taggart of Bath.

In a resolution the association requested Multiple Peril Insurance Rating Organization to consider a revision of homeowners C so that the coverage on wind and money will equal or exceed coverage under A and B. The \$50 deductible on extended coverage and \$500 limitation on theft coverage in C places the agent in the incongruous position of giving purchasers of A and B policies broader coverage than the clients who buy the C policies, the resolution stated.

The association also took a stand against any form of unsatisfied judgment fund or any other state-controlled fund in connection with compulsory automobile. The group will request all companies reporting to Mutual Insurance Rating Bureau to continue to write the uninsured motorists coverage and to broaden it to include commercial vehicles at appropriate rates for exposures involved after Jan. 1, 1957, to reduce the need for UJF.

The association also asked for five year term on burglary and comprehensive personal liability, with appropriate discounts.

The agents discussed the problem of auto dealers and their salesmen acting as insurance solicitors. Many members protested the state insurance department's apparent vindication of insurers of auto collision which overcharged insured by way of misclassification.

The group discussed allowing assessment cooperative insurer representatives to sell and service insured without first being licensed by the state. Agents object particularly to their solicitation of mercantile risks.

The group authorized a study of

establishing local agent associations throughout the state.

Earl A. Lamb of New York City, president of National Assn. of Mutual Insurance Agents, reported on national association activities.

Special sessions were held on new coverages, and on sales. A telephone panel was conducted during which several outstanding insurance figures spoke.

O'Connell Talks at Cincinnati

Arthur M. O'Connell of Cincinnati, executive committeeman of National

Assn. of Insurance Agents, spoke before Assn. of Casualty & Surety Managers of Cincinnati at a luncheon meeting. He discussed the significance of the recent extension of Cincinnati Underwriters Assn. to embrace all lines except life and accident. passage of compulsory automobile liability insurance in New York, competition in automobile policy language and Safeco-type operations throughout the country.

Insurance Women of San Angelo (Tex.) heard a discussion of "Jury Service for Women" at a recent meeting. Miss Jane McWhorter was elected treasurer to succeed Mrs. Patti Stuart, who resigned.



*From the diary
of an Agency Secretary*



Guess what? We're running a quiz show right here in the office! Well, not exactly, but it's sort of. It's that PLM 5-year fire policy Mr. L's been so busy with these past weeks, and I have, too, and anyway it was little me who thought of it and . . . oh, dear, I'm getting kind of mixed up. What I mean is, I was typing up a PLM 5-year policy the other day and suddenly I said: "Look, Mr. L, the net cost per \$100 premium is just \$64. We've . . . we've got our own \$64 question!" "By George, Ellen," said Mr. L, "you've got something there. I can use that idea in selling that PLM 5-year policy. Good girl!" Of course, it wasn't really anything I did—but I am enjoying those chocolates!

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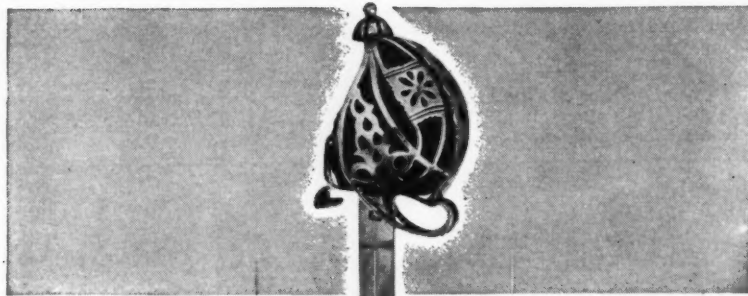
Are you writing *your* share of those money-saving 5-year policies? PLM offers them for both fire and extended coverage (where State laws permit). As you well know, they can save you time, trouble and expense in soliciting renewals. And a file of long-term policyholders in your office can be a good business backlog for you. Why not write us for full information about a representation.

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Public Ledger Building

Philadelphia 6, Pa.

REINSURANCE

Professional Agent Topic at D. C. 1-Day

(CONTINUED FROM PAGE 5)

the difference, because customers think that all insurance is the same, and because the performance of many agents may be fairly miserable.

Dr. Overman was asked to express his idea of the value of being a professional agent when it is apparent on the record that the direct writers are selling the business. He replied that it is a favorite theme of his that the best prepared man is the best salesman. If the agent understands the principles of underwriting, if he can recognize risk situations, if he knows how to manage an office, etc., he can impress the public tremendously.

Frequently he hears the comment that theory is not practical, that something is not usable because it is too theoretical. This is disturbing, he said. He suggested that those who belittle theory should look at the professions of medicine, law, accounting, etc. No one hears members of these professions being criticized or criticizing themselves because what they know and are seeking to learn is too theoretical.

Actually there is not enough good theory yet to provide the type of underwriting with which the business can develop proper patterns, he declared. The theory of insurance is a relatively new field academically and there is much work to be done in it. It is one of the foundations of society that members of it know why it operates as it does. Certainly variations and adaptations of theory to practical situations are essential. But these modifications do not in any way detract from the basic values of theory. He called attention to an incident in a part of Pennsylvania hard hit by the floods of 1955. Insured after insured came in to ask the agent if they had coverage for this or that. The answer was, of course, no. However, when insured asked why not, the best reply the agent could give, and the only one he did give, was "because the companies don't write it."

Mr. Stell asked Mr. Boone why some fire and casualty insurers do not appoint part timers. Mr. Boone replied that it is a selfish matter, his companies have found that this does not pay off, the experience with part timers has been costly.

Another questioner pointed out that it is difficult for the agent to reach a professional status so long as requirements for an agent's license are so low.

Dr. Overman admitted that this is true, but he sees signs of improvement. New York recently set up a 90-hour course (which actually involves 120 hours of classroom work) in a school approved by the department. This is a fine move. In California, Fire Underwriters Assn. of the Pacific is launching an educational program containing similar courses of about 120 hours of classroom work. Thus with two important states initiating such requirements for classroom work before the agent is even allowed to sit for an examination, the trend is in the right direction.

The mark of a true professional, Dr. Overman concluded, is that he insists upon keeping on top of the situation. Information and knowledge become so complex that men must study a long time to understand it and a longer time to impart it. Insurance has become that complicated.

During the panel on what the professional agent owes his client, Mr. Murphy defined service. He said that

if there is no loss, a fold of newspaper is just as good as an insurance policy and more interesting. However, if there is a loss, the policy becomes of the greatest importance to the buyer, and the premium cost becomes very minor. What the contract does then is quite vital. He said he expected of the agent imagination not limited by page 3 of the manual, a willingness to listen to the buyer's views, and a willingness to try to get what the buyer wants. He wants from the agent advice on limits, suggestions for broader protection, analyses of risk situations, and availability. He said he liked to see his agent at times other than policy renewal.

What about the agent as a safety and loss engineer? Mr. Crowley said

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this service should be available from the agent, but that he sees evidence of it infrequently. There is little done on loss prevention in ocean marine, inland marine, fidelity and surety, and products liability. He emphasized that insured is primarily interested in continuity of operations and not in dollar indemnity. Consequently, prevention services are extremely important.

Also important to the corporation is quick loss settlement. The buyer wants to see the agent pitch in and help insured through the loss adjustment.

Mr. Murphy said he wanted from his agent a selection of company that will provide appraisal, protection and similar services. He likes to have agents interested in the adjustment of losses. He thinks the buyer has the right to expect service before and after a loss. Crime prevention, he agreed, has been neglected. The opportunity to steal may be there and the agent could help point out such situations while there is time for prevention. The agent who has a good company representative can help on inventory losses and their prevention. He agreed that the corporation doesn't want reimbursement so much as continuity of operation and prevention of loss. He regards the agent's responsibility with respect to loss adjustment as being promptly on the scene and following through to see that the adjustment is carried out expeditiously and satisfactorily.

The two buyers were asked why a corporation might switch from an agency company to a direct writer or vice versa. Mr. Crowley said he judged coverage by price, quality and service. He had a communication from a large producer who said to "tell my fellow members that their messenger boy days are over, that they have to render service beyond the call of duty—otherwise the direct writers are going to get the business."

Mr. Murphy said he believes in the agency system, that the independent business man has a right to make a living.

How often should an account be surveyed? Mr. Crowley said it depends on the operation. Factory Insurance Association and Factory Mutuals use a quarterly inspection service very effectively in this area.

Mr. Murphy said the agent should on occasion come to see the buyer when there isn't an expiration. The insurance manager should certainly review his coverage and risk frequently, and give it a good one once a year on which the agent can help.

What are the best lines for breaking into an account?

Mr. Crowley said that a buyer will listen to a concrete proposal that represents values for insured. He suggested that the most likely place for such a proposal would be in the blanket coverages, the personal package policy coverage, catastrophe and excess covers, and "extended coverage at a reasonable cost." The latter comment drew a laugh from his audience.

Why do some large buyers occasionally ask for insurance bids? Does this mean that they have no appreciation of service?

Mr. Crowley said that he knew of one large product liability line which had been put out for bids. However, the decision to purchase was finally based on service. The low bidder, though a good company, was not the winner.

Mr. Murphy indicated he did not think too much of asking for bids on

Committee Heads of Health Assn. Named at Cincinnati

Personnel of the nine standing committees of Health Insurance Assn. of America were appointed by the directors at the first day's session of the organization meeting in Cincinnati last week, and announcement of the full membership of each committee was made by President E. J. Faulkner, Woodmen Accident & Life. Altogether there are 152 persons serving on the committees, and there are a number of subcommittees, which have the effect of putting a very high proportion of the membership actively to work in the new organization.

Committees and their chairmen and vice-chairmen, respectively, are:

Actuarial and statistical—Thomas H. Kirkpatrick, Paul Revere Life, and Stanford Miller, Employers Reinsurance.

Administrative—Neville Pilling, Zurich, and James T. Phillips, U.S.F.&G.

Medical economics—James Powell, Provident Life & Accident, and Morton D. Miller, Equitable Society.

Group insurance—J. E. Hellgren, Lumbermens Mutual Casualty, and C. Manton Eddy, Connecticut General Life.

Individual insurance—J. M. Wickman, Mutual Life of New York, and Richard Paddock, Time of Milwaukee.

Legislative—Berkeley Cox, Atena Life, and John Henry, Continental Casualty.

Membership and ethical standards—E. A. McCord, Illinois Mutual Casualty, and Robert L. Maclellan, Provident Life & Accident.

Nominating—H. Ladd Plumley, State Mutual Life, and James Crawford, Indemnity of North America.

Public relations—Frank Vanderbrouk, Monarch Life (elected by the membership). Members of the public relations committee are given terms of three years, starting at this meeting with one, two and three year terms. Serving for one year are E. W. Craig, National Life & Accident; Dutton

insurance. Credits build up in relationships with insurers, and with bidding these credits are lost. Bidding also may indicate that the risk is going bad, the agent may not be providing the proper service, or the insurance manager may not be doing his job.

Mr. Murphy discussed his own company's handling of self insurance, excess and deductible. His company carries bodily injury liability coverage of \$2 million/\$2 million plus \$5 million excess, but self insures its property damage liability. He thinks there is a good market for the lively agent in the field of deductibles and excesses.

What is the tendency among big buyers with respect to placing insurance with local agents? Mr. Murphy said that wherever it is physically possible to bring the local agent in on business, the big buyers are doing it. This is one of the current themes of the buyers' organization.

What is the difference in approach between a direct writing company and a local, independent agent? Mr. Murphy said that representatives of insurers with which his company does business do an excellent job. His plant insurance is in Factory Mutuals.

He strongly emphasized the need of markets.

Stahl, Iowa State Traveling Men's, and W. E. Wright, Pioneer Mutual Life. For two years, Powell B. McHaney, General American Life; Charles Phillips, U.S.F.&G., and Travis T. Wallace, Great American Reserve. For three years, H. Clay Johnson, Royal-Liverpool group; Leslie B. Hemry, American Mutual Liability, and Clarence Myers, New York Life.

Dan C. Breeden, former special agent for Royal-Liverpool in South Carolina, has joined the insurance department of Alester G. Furman Co. of Greenville, S. C.

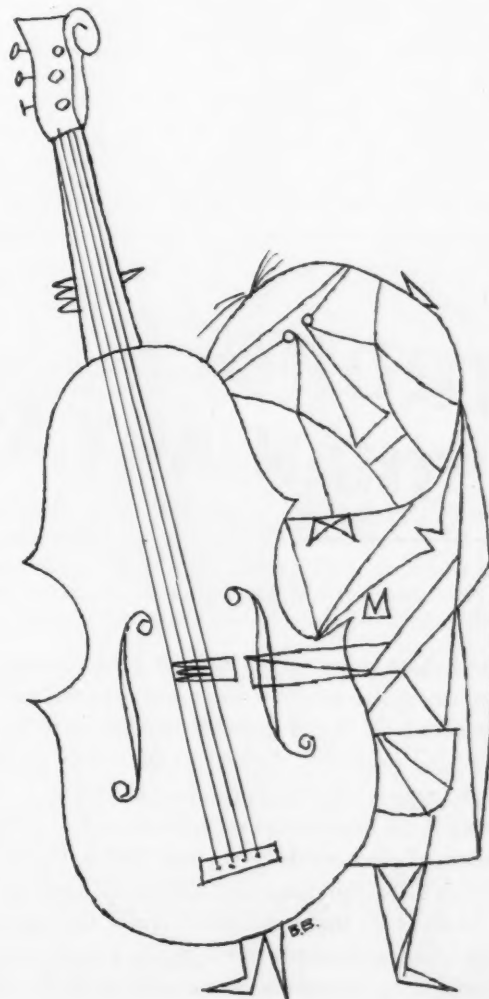
N.J. Disability Council Names Rooney Chairman

John B. Rooney, secretary of Loyalty group, has been elected chairman of the New Jersey disability benefits advisory council. John J. McGurk, president of independent unions of New Jersey, was elected secretary.

The council is appointed by the governor for a term of five years to study the administration and operation of the temporary disability benefits law and to make recommendations for legislation or administrative improvement.

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Southern Department, Atlanta, Georgia

Craugh Tells How to Live Under Compulsory

(CONTINUED FROM PAGE 7)

policy has not been cancelled or terminated, but that the coverage technically continues in force. This involves a certain amount of risk on the part of insurer, but, Mr. Craugh wondered, is it any greater than the risk presently assumed under suspensions of coverage?

In handling cancellations for non-payment of premiums, insurers and agents may find it necessary to tighten up on credit procedures under compulsory, to minimize the extent of the free ride heretofore customarily given away to delinquent policyholders.

The Massachusetts law has been held up to scorn as the horrible example of a compulsory law which should not be enacted in New York state. How do the two laws compare?

The Massachusetts rates are made by the state. To the insurance business this has been one of its major defects. Under the New York law rates will continue to be made by the insurers as is the case now, subject, of course, to the approval of the insurance superintendent. The legislature has gone even further, he noted, by declaring that nothing in the law shall be construed to effect any change in the application of the rating laws to automobile liability insurance rate-making or to affect the development of various methods of doing or operating an automobile liability insurance business. This is not an iron-clad guaranty, but at least it expresses the present intentions of the legislature, he said, and he reminded those

who say that compulsory may lead to political rate making in New York that workmen's compensation insurance is compulsory and that premiums of \$300 million annually are regulated in New York without becoming a political football.

Massachusetts excludes cover of guest passengers. New York does not.

Massachusetts law applies only to accidents happening within the state. The New York law extends extra-territorial coverage.

The Massachusetts law applies only to accidents happening on the public highways. The New York law contains no such exclusion.

Massachusetts BI limits are 5/10, New York BI and PDL limits are 10/20/5.

Once issued, the policy certified for registration in Massachusetts becomes absolute. No statement made by insured or on his behalf, no violation of the terms of the Massachusetts policy and no act or default of the insured prior to or subsequent to issuance of the policy shall operate to defeat or avoid coverage so as to bar recovery by a judgment creditor. In New York, the policy is not an absolute policy. The standard provisions policy with all of its provisions as to notice, cooperation, etc., remain in full force and effect.

The New York policy is not co-terminous with the registration period as in Massachusetts.

In Massachusetts, insured may not cancel his insurance without first surrendering his license plates, nor may

the insurer cancel the coverage without first giving 20 days notice to the MV commissioner. In New York, the insurer is required to give insured only the usual 10 days notice upon cancellation or failure to renew by the insurer. Once the cancellation has become effective, the insurer, in New York, is given 30 days to file notice of cancellation with the commissioner.

The fear of agents is that compulsory will affect their compensation, Mr. Craugh observed. They point to the dismal experience in Massachusetts shortly after the law there went into effect, when commissions were drastically reduced. But the New York law states that the legislature finds that the public interest can best be served in satisfying the insurance requirements of the law by private enterprise operating in a competitive market and that nothing contained in the law shall be construed to affect the development of various methods of doing or operating an automobile liability insurance business. This is about as far as the legislature could go in reassuring the business that there is no intention of interfering with customary methods and practices in the business. The fixing of commissions does not come within the purview of the New York law as in Massachusetts. Existing methods of selling or purchasing automobile liability insurance policies would not be altered in any degree under the New York law. The fixing of commissions is a matter of contract between insurers and their agents. If a reduction in commissions should in the future eventuate, it will happen not because of the law itself but for reasons outside the law. In effect, the New York law attempts at least to preserve the existing system of marketing and servicing insurance without change.

Among deficiencies in compulsory that were complained of in the legislative debates is that it does not provide 100% protection to all the potential victims of automobile accidents in the state—those injured or killed by hit-and-run drivers, by unauthorized or stolen car drivers, and by uninsured motorists, resident or non-resident. It would be difficult to draft any compulsory law that would guarantee full protection to all injured motorists, he said. The Massachusetts

law, of course, does not provide protection for these victims. To the objection that a compulsory law cannot apply to out-of-state drivers, the legislature could have required all out-of-state operators to carry insurance. This power would not be unconstitutional but it would present serious, practical difficulties of enforcement.

Mr. Craugh believes the voluntary uninsured motorist endorsement, which has been generally satisfactory as a coverage, is much to be preferred to any type of state fund thus far proposed to take care of these victims. Why establish a state fund, no matter how financed, and thereby bring the state into the insurance business, when provision can be made for these victims through private enterprise, he asked.

Considering the success of UM during its first six months, it would be folly to discard it as of next Feb. 1, he declared. It should be extended to cover the victim of the hit-and-run driver. If this were done under certain safeguards to avoid fraud and collusion, it would for all practical purposes dispose of the victim of the hit-and-run drivers. This is assuming, of course, that the cover is thus broadened by all companies, stock and mutual.

Victims of stolen car and other unauthorized drivers, including non-resident drivers, are afforded cover by UM.

By retaining UM the only gap that would remain unfilled would be the rare case of the non-car owner who might be injured by an uninsured non-resident motorist. It is estimated that at least 75% of the out-of-state cars traveling in New York are insured. But it should be remembered that even though an uninsured non-resident should be involved in a New York accident, the non-resident is still subject to all of the penalties and sanctions of the safety responsibility act, which remains in full force and effect. He will still be required to post security for the damages caused by him and this requirement will be enforced in the state of his domicile under the reciprocal provisions of the FR laws now in effect in most of the states.

With UM complementing compulsory coverage it would be difficult to

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conceive of any system that could afford more satisfactory or widespread protection to residents of New York state who may be involved in automobile accidents, he believes.

To insure universal protection, UM should be made a part of the New York state standard automobile policy, he recommended. It should not be optional. Because of the narrower exposure under compulsory some adjustment in the present rates may be indicated, if this is done. Judging from the favorable experience reported thus far by most companies under UM there is every reason why it should be retained and expanded to include coverage for the victim of the hit-and-run driver.

Will the compulsory law lead to a demand for the development of a state fund? Not especially so if no state operated unsatisfied judgment and indemnification fund is set up, he said. Compulsory will only add 5% to 10% more motorists to the ranks of insured. Mr. Craugh does not believe the addition of a relatively small number of insured will precipitate a demand for a state fund. Compulsory has been in effect in Massachusetts since 1927 without any serious demand for a state fund. The insurance business should not fear a state fund as long as it satisfies the needs of the citizens of the state.

Will compulsory increase rates? There is no evidence that uninsured motorists are worse drivers than insured motorists, he declared. If the frequency and severity of accidents for uninsured motorists approximates those of the presently insured, it is difficult to understand how higher rates will result from compulsory. Nor is there evident any reason why the costs of administering the law should be appreciably greater than is the present cost of administering the FR law. Many operations now required to be performed under the latter law will necessarily be curtailed. New clerical and administrative activities

will be occasioned both for the administrators and insurers and agents, but many of these new functions will merely supersede similar activities now required under FR. At present there is not apparent any reason why there should be any appreciable increase in rates under compulsory because of losses and expenses increased by compulsory.

At first compulsory will produce a considerable bulge in the number of applicants referred to the assigned risk plan. This because of the understandable apprehension of some underwriters that the financially irresponsible motorist is *ipso facto* an irresponsible driver. Wholesale referral of these applicants to the plan without justification is to be guarded against if public resentment is to be avoided. This should be a matter of serious concern for all authorized insurers who are members of the plan.

Upper Peninsula (Mich.) Agents, Annual June 8-9

Upper Peninsula Assn. of Insurance Agents will hold its annual meeting June 8-9 at Dickinson hotel, Iron Mountain, Mich.

Registration will take place June 8. The following morning R. G. Mielke, state agent of Phoenix of London group and T. M. Irvine, state agent for National of Hartford group, will present a skit on package policies. This will be followed by an open discussion on package policies.

The afternoon and evening will be devoted to recreation, cocktails, entertainment and dinner. Reservations must be in by May 5. William Bertrand, Iron Mountain, is in charge of reservations.

Brown to Tex. Mutual Assn.

Gust T. Brown Jr. has been named executive secretary of Texas Assn. of Mutual Insurance Agents. He was formerly postmaster of Luling, Tex., and a member of the state legislature. He was most recently manager of another trade association.

Glendening to Address N. Y. Insurance Managers

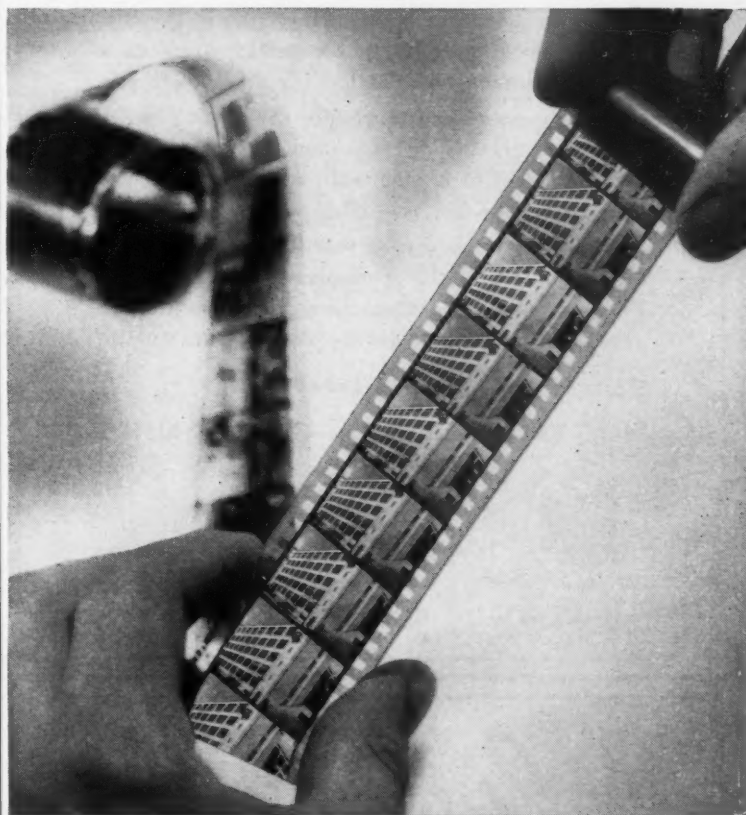
Frank S. Glendening, Philadelphia accountant, will address New York chapter of American Society of Insurance Management on current business interruption problems and latest changes in the gross earnings manufacturing form April 26 at Hotel Statler, New York City. He is a partner in Frank S. Glendening & Co. and has acted as an advisor in setting up business interruption values for insurance managers for more than 25 years.

Accountants Hear Nichols Discuss AFIA

James O. Nichols, general manager of American Foreign Insurance Association, spoke at the April 19 meeting of Insurance Accountants Assn. at New York.

The uniform accounting committee met the same day to discuss "centsless accounting" and General Adjustment Bureau bills.

The association has cancelled its May meeting because of a conflict in dates with the general meeting of Insurance Accounting & Statistical Assn.



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Lemmon Ranks Compulsory with SEUA Decision

(CONTINUED FROM PAGE 4)

gives abundant proof that this is the price that has to be paid. Assn. of Casualty & Surety Companies put its finger on this central objection to compulsion in a brochure it published recently, "Compulsory Automobile Liability Insurance—A Pivot of Political Turmoil." Mr. Lemmon suggested this brochure merits wide distribution and careful consideration.

In 1929, Frank A. Goodwin, who was registrar of motor vehicles in Massachusetts, said, "Today insurance is the only commodity in the state which people are compelled to buy." Mr. Lemmon said the premium quickly assumes in the public mind the nature of a tax, or, as Assn. of Casualty & Surety Companies points out, "the rates become the political equivalent of a tax." It is a matter that is used constantly to agitate the public mind and it nurses quarrels, conflict, and dis-union.

Great care should be exercised in setting up the New York program, Mr. Lemmon commented. The public has frustrations in store; the Massachusetts experience is the only precedent and it should be studied closely and an attempt made to anticipate the kind of turmoil the insurance rate questions bring about as a result of political agitation. There should be a constant effort to acquaint the public, newspapers and responsible politicians with insurance actuarial facts so as to minimize the undesirable effects of having the insurance issue brought so strongly into the political arena. Belatedly, he observed, the industry formed a public relations endeavor in Massachusetts. This has been a constructive influence in tempering the effects of "passionate, vindictive and ignorant strife involving compulsory insurance issues."

It would be blinking at realities to ignore the effect of the compulsory law on insurance competition, Mr. Lemmon said. In 1928, when the Massachusetts law had been in effect less than two years, the insurance commissioner resigned under pressure because the proposed insurance rate program for 1929 appeared to spell political suicide for the administration of which he was a part. Despite the fact that the new commissioner could find no actuarial justification for reducing the rates, in its political extremity the

administration bulled through a decrease by reducing the agents' commissions to a level that generally is regarded as nominal.

"The specter of this political debasement of their compensation haunts agents in Massachusetts and in other states," he remarked. "They're leery of this thing because the political pressures under a compulsory system might result in dwarfing the salesman's rewards with respect to third party liability insurance. They're also worried that this trimming might become epidemic. If that happens, we'd have political regulation in a phase of the insurance business that heretofore has been religiously reserved for free contractual negotiations."

Another far reaching consequence of compulsory, he said, might very well be the stimulation of the doctrine of providing compensation for death and injury in automobile accidents without regard to fault—the workmen's compensation principle.

It is also inevitable that under a system of compulsory insurance there will be pressure brought to bear on the state to engage directly in the insurance business. Whenever the actuarial realities call for insurance rates that are politically unpalatable, there would be a demand for the state to provide what the state requires its citizens to buy. Of course, the true cost could be disguised in the form of additional gasoline tax or some other form of subsidy. Thus, there would always be a threat of socialization of this portion of the insurance business and once again this could prove to be epidemic and put in jeopardy other types of insurance.

Compulsory insurance, Mr. Lemmon offered, will pose issues and problems that will occupy and vex the insurance world for at least the next decade. "The great majority of the insurance industry, I feel, will engage in an all-out effort to enlist the public to prevent the further spread of the compulsory doctrine."

Assn. of Casualty & Surety Companies has elected to membership five additional stock companies: Alliance of Chubb & Son, Merchants of New York, Mercury, St. Paul F&M and Camden Fire.

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Can't Expect Too Much Too Soon from New Health Assn., Hogg Cautions

The new Health Assn. of America is off to a start that exceeds early expectations, demonstrating an appreciation of existing problems and the responsibility of the business to do something about them, Robert L. Hogg, vice-chairman of Equitable Society, said in his address at the association's first meeting in Cincinnati. Mr. Hogg cautioned, however, that the auspicious beginning may cause people to expect too much accomplishment in too little time. "It would be unfortunate to have expectation give away to disappointment," he commented.

Officers and members of Health Assn. have a heavy responsibility amid all the optimism, he added, and "in justice to the new officers and the staff," some things should be put in proper perspective.

All other segments of the insurance business have had their housekeeping trouble, he observed. It seems to run in cycles. Probably no segment had greater difficulties than the industrial life business about the time of the TNEC investigation. Fire insurance has gone through several adjustments in an effort to meet criticism of its operations. The health insurance business, however, is having its criticism in an atmosphere no other segment of the business has ever experienced. This is because the public has so enthusiastically accepted the insurance principle that they expect every hazard to be insurable.

The business is dealing today with health insurance problems at a time when the average individual feels that he should have coverage against every hazard of life, Mr. Hogg emphasized. No previous segment of the business has had to consider its problems in such an atmosphere of demand for protection.

The A&S business can give and has given something in the way of coverage for almost any amount of consideration, Mr. Hogg said. Through limitations on benefits and restrictions on coverage, some kind of a contract can be provided for whatever amount the applicant desires to pay. The need

for flexibility and variety, and the speed with which it occurred, has led to a tendency to put together most anything that can be sold, rather than a service which the public should buy. "Much dirt has been tracked in in this process of just putting something together that looked well, sounded good and was easy to sell. As we all know, we find not only inferior products of questionable social value, but we encounter as well methods that lack ethics. The quick buck rather than the available service easily becomes the objective. This hurts all the insurance business. For the first time the business is now going to be in a position to deal aggressively in situations like these."

While the health insurance business has to face its problems at a time when the public has an exaggerated idea of practical coverages, Mr. Hogg said another factor even more important is the lack of effective institutional viewpoint on important issues. Until recently, the place of a trade association in the health insurance field was largely functional. The real problems in the early days were concerned with such things as policy forms, policy provisions, and the like. Many segments of the business commenced for the first time to write health insurance as an addition to some other established line. The life companies started their A&S operations this way. Health insurance institutional interests have had no home of their own, they have been a sort of adjunct to something else. When faced with the problems of institutional importance, responsibility for prompt fixing of viewpoints was impossible. Divergences in the method of writing the business nearly always resulted in multiple viewpoints at critical times. On many occasions it has been more important to have a prompt institutional position even at the expense of the possibility that the wisdom of the position be open to question. From this time on the business should be in a position to act promptly. "The time of the single expression followed by six 'Me too's' is to disap-

pear. Let us eliminate the confusion of voices."

The objectives of Health Assn. will be both corrective and creative, Mr. Hogg commented, pointing out that it is just good business judgment to pursue the corrective even if it is conceded the areas for correction are small. At the same time, there is a greater responsibility to be creative. Training of agents will have a prominent part in a creative program. A&S insurance has just reached that point in its growth where needs and specific coverages are becoming complex. They need to be understood and properly sold to meet desired purposes. It is the responsibility of the business to see that agents are trained to meet these needs, to become career underwriters.

Mr. Hogg noted that Health Assn. will have strong allies in the solution of its institutional problems.

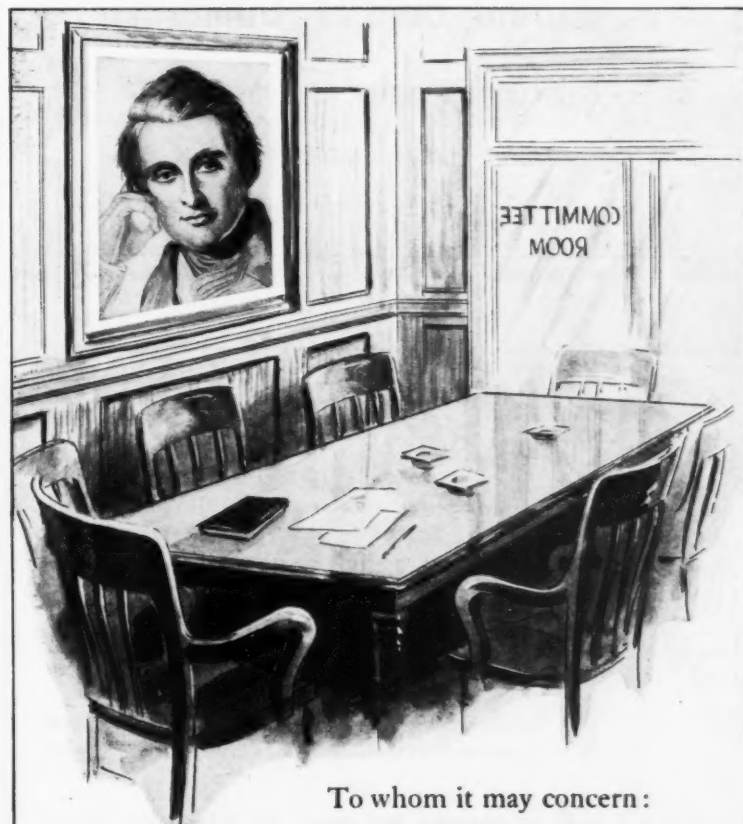
Every segment of the business has a stake in the kind of a job that is done; their moral support is valuable. The trade press, he said, is a tremendous influence. "We will have to do a lot of talking to ourselves. The trade press is the ideal forum. It will render

a real service to the business and to the public in publicizing our objective". The insurance commissioners will continue to be in the picture. They occupy a unique position in that they know the business and, at the same time, have their hands on the public pulse. The assistance which they have rendered in advertising is a case in point.

Highway Commission Eyes Self Insurance

The Westerly, R.I., highway department is considering self insurance following a commission dispute over who is going to write \$6,000 in premiums for workmen's compensation, liability and fire insurance.

Policies written a year ago by state Sen. Santoro, a local agent, have expired. The commission split on motions to award Sen. Santoro the renewal and to take it away from him and give it to the newly-formed Checker agency. Town Solicitor Cappuccio said that, in view of the tie votes, the only thing left would be for the commission to use the premium money to set up a self insurance fund.



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Topics Listed for Accountants Meet at N.Y.C. May 21-23

The program has been readied for the international conference of Insurance Accounting & Statistical Assn., to be held May 21-23 at the Hotel New Yorker, New York. The number of sessions has been limited this year. The over-flow of any one session will be distributed into second choice sessions. Previously, additional sessions on each subject were provided to accommodate registration. Portions of the program exclusively of interest to the life insurance business are excluded.

Topics to be considered the first day include: Electronics—getting ready for electronics, electronic possibilities for small companies, automobile policy rating on the Univac file computer, expense accounting.

A&S—small company accounting problems, expense allocation for rate making purposes, A&S persistency.

Fire and casualty—management reports, punched cards investment accounting, punched card checks and drafts, branch office premium accounting systems, work measurement, auto claims statistics, premium taxes, licenses and fees.

Tuesday's agenda includes: Electronics—expense accounting on the 650, feasibility of an electronic computer center for several small agency companies, electro-data magnetic tape experience, rating and billing on the 650.

A&S—accounting, accumulating data for annual statement, claim analysis for underwriting review, internal audit techniques, non-cancellable statistical and accounting practices.

Fire and casualty—statistics and accounting for loss experience under multiple peril policies, determination and accounting on agents' contingent commissions, installment payments of auto premiums, work measurement, auto claims statistics, utilization of tabulating equipment, loss reserves, budgets, preparing annual statement, management charts.

The Wednesday program includes: Electronics—miscellaneous applications on the 650. A&S—informal panel discussion. Fire and casualty—the part of accountants and statisticians in management, determination and accounting on agents' contingent commission, document writing by tabulating equipment, policy form control.

Pa. Subcommittees to Study Flood Problems

Bradford Smith Jr., vice-president of North America, chairman of the Pennsylvania committee to study the possibility of subsidies or indemnities to aid flood disaster victims, has named three subcommittees to delve into the problem. The groups will study flood control, actuarial problems, and flood legislation in the federal and other state governments.

Kenneth B. Hatch, president of Fire Association, heads the actuarial subcommittee. Rep. Green of Philadelphia is head of the legislative subcommittee. Maurice K. Goddard, state secretary of forests and waters, is chairman of the flood control subcommittee.

Insurance persons and those interested in insurance who are on the committees are Charles H. Bokman, vice-president of New Amsterdam Casualty, Sen. Fleming, chairman of the state senate insurance committee, Hamilton Gilkyson, president of Chester County Mutual, Rep. Hamilton,

chairman of the house insurance committee, W. Ray Thomas, president of Logue Brothers & Co., Pittsburgh, a past president of National Assn. of Insurance Agents.

Ex-officio members of the committee are Insurance Commissioner Smith, Mr. Goddard and Brig. Gen. A. J. D. Biddle Jr., state adjutant general.

Eckels to Dallas Claim Post

Patrick O. Eckels has been named claim manager at Dallas for Southwest General. Mr. Eckels joined Southwest General in 1953 as an adjuster. He has had extensive experience in both company and independent adjusting fields.

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Neal Outlines Staff and Functions of HIA

(CONTINUED FROM PAGE 13)

ods and procedures, and persistency and its effect on cost.

2. Educational programs for home office employees.

3. Staff consultation and visitation with member companies.

4. Reporting the thinking, attitudes, developments and activities in the medical, hospital, labor and employer fields which affect present underwriting and marketing practices of health insurance.

The staff responsibility for these important functions is not completely divisible on a departmental basis, Mr. Neal noted and, therefore, will be carried out by both the division of company relations under the leadership of Roy MacDonald, who will have senior staff responsibility for that division, and the division of information and research which will be headed by Joseph F. Follmann Jr. Associated with them will be L. A. Orsini, David Robbins, Bruce Gifford, F. T. Crawley and Catherine Nachel. In both divisions, additional personnel will be recruited as quickly as possible.

In information and research under Mr. Follmann, there will be established a strong division to adequately service the A&S business and to make available sound evaluations of insurance company activities and of the horizons beyond.

Mr. Neal said it is hoped that through this division the association can continue the mission of Task Force III of the Joint Committee on Health Insurance of exploring ways by which the service of A&S insurance to the public can be improved. In essence, this department will make firm studies of where the business is now and point out areas where it would be well to consider improvement and development.

This department, for example, will make studies in such areas as insuring the older ages, underwriting impaired risks, and medical economics as it relates to health insurance and the financing of the cost of medical care.

Association relationship with doctors, hospitals and other health professionals will fall within the scope of the information and research division. This will include the association's work as a cooperating member of Health Insurance Council should it be decided to retain the council in substantially its present form. However, Mr. Neal remarked, the association "will remain prepared to assume the entire function of the Health Insurance Council should the trade and professional associations which have previously supported the council decide to retire from such activity as recommended by Task Force I."

Task Force I, in its report to the Joint Committee on Health Insurance, recommended that a public relations mechanism be developed that could interpret the business to the public and interpret the public to the business. Such an instrumentality is under development and while it will be an integral part of the new association, Mr. Neal said, it will be set apart to insure its freedom of action, first in bringing the message of A&S insurance to specialized groups such as the medical profession and hospital administration, and later the public in general. By arrangement with the Institute of Life Insurance, the Health Insurance Institute will have at its helm Holgar Johnson as it develops a public relations program devoted to A&S insurance. James R. Williams, formerly with the conference, and Robert Waldron and Scott Cunningham, formerly with the bureau, will be members of the Health Insurance Institute staff.

The responsibility for determining policy and approval of all projects and plans, including budgets for programs, rests with the directors of Health Assn. through the public relations committee.

There will be three offices of Health Assn.—Washington, New York, and Chicago. Mr. Hanna, the general counsel, will be in Chicago, but he will have assistants in New York.

The director of information and research, Mr. Follmann, will function from New York, as will the Health Insurance Institute. The director of company relations, Mr. MacDonald, will function from Chicago. Mr. Neal said he will be in Washington for the present, but as a practical matter will divide his time between the three offices for some time. "I assure you there will be close coordination between these offices and that any of them will be able to service your inquiries or get for you any information you may require."

Ohio Security to Write Full Cover Automobile

HAMILTON, O.—Ohio Security, which has been writing casualty lines for about six weeks, will be writing automobile on a full-fledged basis in another two weeks, J. B. Connaughton, president, announced at the company's annual agents' meeting here. Ohio Security has been admitted to Indiana for fire lines and business will be developed in that state this year, he said.

A new and higher commission scale because of favorable experience was announced by Frank J. Janco, executive vice-president.

Thane Benedict, recently named head of casualty operations, took a bow.

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1929—OUR 27TH YEAR—1956

For a progressive program . . .

THE
New Zealand
INSURANCE COMPANY LIMITED

UNITED STATES HEAD OFFICE
SINCE 1875
SAN FRANCISCO

MULTIPLE LINES

Aetna Casualty School Passes Historic Milestone

((CONTINUED FROM PAGE 9))

Mr. Knapp believes.

But he noted that in the new order there are not enough skilled company men to go around—claim men, underwriters, production men—men capable of doing the kind of job that is needed to deliver the highest quality of service to policyholders. Failure to deliver that kind of quality, he said, further opens the door to direct writers.

Consequently, he believes, the agent must select with care and wisdom the company he represents, to choose a company that, when its forces are combined with those of the agent, will convince the buyer he is getting a superior product. Unless the agent and his company combine forces in this way, "we are not going to win," he declared.

For the buyer may not know how to differentiate between the service of one company and that of another. Thus, when the direct writer's representative reaches him he buys from him. The fact that he may not be aware of the difference in product is one of the important matters the agency business must face.

The independent agent is just as responsible for company service as for his own service, Mr. Knapp pointed out. The captive agent has to deliver, of course, the service of one organization. He has no choice. The independent agent, however, can and has to select that insurer which delivers real service.

If the independent agent does not do this, he fails in his responsibility to the buyer, Mr. Knapp stated. Thus the independent agent holds the key to

both his success and that of the agency company.

He indicated that one test of a company is how conscious it is of its responsibilities to deliver service and how closely it keeps in tune with the field, by bringing men from the field into the home office.

Mr. Redding explained that in the contest, which was limited to graduates of the school, more than 80% of the agents eligible produced business, 60% qualified with 10 applications or more for participation in the "tournament," and 950 won major prizes.

In emphasizing the importance of agency educational work, Mr. Redding said the day may be gone when an insurance organization, one which aspires to leadership in the business, can wait until producers gravitate to it. Likely enough that organization will have to go out and get representatives. Well established agency offices will have to line up young go-getters.

The Aetna Casualty course has trained each year almost as many agents as all the other companies of similar character put together, he noted. Those agents stay with the company. The persistency of the men has been remarkably high, compared with other comparable sales ventures. These men can sell insurance in volume, some of them can sell it in great volume.

He pointed out that the school does not stop with policy coverages, underwriting practices, etc. Because the insurance business deals with money and with people, a significant objective of the course is to develop in its students

skill in social contacts and in applying the knowledge they have.

Countrywide production contest winners were John N. Hays of Detroit and James W. Henry of Pittsburgh; for towns under 5,000 the winners were J. D. Shows of Jonesboro, La., and James W. Gilmour of Willow Grove, Pa.; towns of 5,000-10,000, William V. Henderson of Mountain View, Cal., and Walter M. Teichen Jr. of Villa Park, Ill.; 10,000-25,000, William F. Jubinville of South Hadley, Mass., and G. Barry McEldowney of Chicago Heights, Ill., and more than 25,000, Samuel Colt of Pittsfield, the only winner not to attend the home office program, and Mr. McClure.

Representatives of Aetna Casualty who attended the dinner were Olaf Nordeng, vice-president of Aetna Casualty and Standard Fire, R. B. Coolidge, vice-president of Aetna Life; Willas Vermillion, secretary of Aetna Casualty and head of the claim department; Frank W. Potter and William Ellis, field supervisors; Robert W. Conly, comptroller of the group; E. J. Perrin, vice-president of Aetna Casualty and Standard Fire; Howard Bromage, assistant director of sales training; Robert Haag, instructor in the school, and H. Cranston Lawton, supervisor of the news bureau.

P.L.M. Appoints 15 Officers, Expands

Pennsylvania Lumbermens Mutual has appointed 15 new officers. The promotions are a part of the company's expansion program.

Appointments are William J. McCullough, manager of the general department; Walter R. Sutor, manager of the general underwriting department; Joseph E. Hyde, manager of the multiple peril department; Frank A. White, manager of the southeastern division; John Henry, manager of the middle Atlantic and New England division; Cornelius A. Cane, manager of the lumber department and Joseph J. Kane, manager at New York.

Also Newton B. Morrell Jr., former head of the inspection department, administrative assistant; Gerald A. McCourt assistant manager of the general department; George F. Gates manager of field representatives of the lumber department; Thomas E. Fitzpatrick assistant manager of the loss department; Harry L. Hundermark claims supervisor; Duncan L. Cambell controller; W. Channing Bailie budgeteer, and Howard P. Walker manager of the tabulating department.

Automobile Problems Main Topics of N.Y. Agents' Annual

The program of the annual meeting of New York State Assn. of Insurance Agents May 6-8 at Syracuse will open with the traditional local board forum, at which auto rate deviating companies, 30-day automatic cancellation, and auto dealer competition will be featured topics.

Monday afternoon Dr. Heinz E. Luedicke, editor of the *Journal of Commerce*, will discuss the business outlook. Julius S. Wikler, first deputy insurance superintendent, will give the department viewpoint, and Arthur L. Schwab of Staten Island, president of the association, will report.

Tuesday morning compulsory automobile insurance and mercantile block will be discussed by Richard J. Daenzer, vice-president of Security-Connecticut group. George V. Whitford, vice-president of Fire Association, will also speak that morning. Morton V. V. White of Allentown, Pa., executive committeeman of the national association, will discuss how an agent can plan his future, and Paul M. Mayer, vice-president of No-Cal, Inc., will discuss sales. Kenneth O. Force, executive editor of THE NATIONAL UNDERWRITER will discuss what's ahead for the agent.

America Fore will be host at a cocktail party Monday evening and the annual banquet will be held Tuesday night.

Travelers Makes Ten Changes in Field

Ten field appointments in casualty, fidelity and surety lines have been made by Travelers.

Arnold C. Hadenfield, field supervisor at Kansas City, has been appointed assistant manager, fidelity and surety lines, at Omaha.

Hilbrand Burma Jr., Grand Rapids, James W. Haxton, Dayton, George E. Miley, San Francisco, and William E. Paulk, Atlanta, have been named field supervisors.

Five fidelity and surety field supervisors have been transferred, C. Bennett Armstrong Jr., from Grand Rapids to Detroit; H. Wallace Parker from Los Angeles to San Diego; Robert West from Kansas City to Omaha; Melvin L. Allen from Chicago to Grand Rapids, and Paul E. Scott from Indianapolis to Kansas City.

SECURED INSURANCE COMPANY

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BALANCE SHEET AS AT DECEMBER 31, 1955

ASSETS

*Bonds Owned

United States Government	\$2,014,153.61
Political subdivisions of States	454,600.30
Railroads, Public Utilities & Industrials	1,007,387.08
Total bonds owned	\$3,476,140.99

*Stocks Owned

Preferred	\$ 161,900.00
Common	1,211,584.00
Total stocks owned	1,373,484.00
Cash in office and in bank	192,900.20
Agents' balances, less than ninety days due	229,199.97
Reinsurance recoverable and accounts receivable	7,550.41
Interest due and accrued on bonds owned	27,718.42

Total admitted assets **\$5,306,993.99**

LIABILITIES, RESERVES AND SURPLUS ACCOUNT

Reserve for unpaid losses and loss adjustment expenses	\$ 954,260.16
Reserve for unearned premiums	1,068,689.83
Reserve for contingent commissions and operating expenses	68,000.00
Reserve for Federal income taxes	162,000.00
Miscellaneous liabilities	22,531.40
Total liabilities and reserves	\$2,275,481.39
Capital Stock	\$1,150,000.00
Voluntary reserve	133,000.00
Unassigned funds (surplus)	1,748,512.60

Policyholders' surplus 3,031,512.60

Total liabilities, reserves and Policyholders' surplus **\$5,306,993.99**

*Bonds and Stocks are carried on the basis prescribed by National Association of Insurance Commissioners. Bonds carried herein at \$582,017.41 are deposited with State Authorities as prescribed by statute.

IMAGINATION

The successful selling of *your* kind of intangible "product" requires far more than ordinary sales ability. It calls particularly for a keen imagination—the capacity for putting yourself in other people's shoes and coming up with original ideas to help sell and serve them better. And certainly an agent with imagination would represent only the finest and strongest companies.

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Company



Insurance
Company

EARL W. GAMMAGE, PRESIDENT

P. O. BOX 1662

T. EARNST GAMMAGE JR., EXEC. V. P.

HOUSTON 1, TEXAS

Local Agency Operations Theme of Milwaukee I-Day

An educational program featuring three prominent speakers, each of whom covered a phase of local agency operations, provided interesting and informative sessions at the annual Milwaukee I-Day. The meeting was well attended by agents and office personnel.

Allen Calhoun Jr., I-Day chairman, presided in the absence of Donald Gottschalk, president of Milwaukee Board, of Underwriters, who was on a two-week training cruise with the navy.

Of particular interest to agency employees was the talk, "Office Management and Work Simplification," by Richard J. Layton, vice-president and division manager of Rough Notes Co. His talk was illustrated by slides which showed the various forms and materials enlarged on a screen. Mr. Layton emphasized that with changing conditions and times, it is imperative for a successful agency office to keep up with developments in office procedures and simplification of forms and records. The proper use of forms, cards, invoices, etc., can mean less duplication of work and results in greater efficiency and production, he said.

"The Care and Feeding of Customers" was an appropriate title for the talk by E. Rhea Hurd Jr., superintendent of sales promotion for American Automobile and Associated Indemnity. He discussed the necessity of keeping ahead of the competition an agent faces and stressed the importance of keeping up contacts with the policyholders between expiration dates, building accounts and seeking new business.

Mr. Hurd described the 5-2-1 customer relations plan of his companies which includes five direct mail contacts, two phone calls and one personal visit every year. It suggests the use of mail newsletters explaining services available, to be sent in February; case history of on-the-spot help at time of loss, mailed in April; pointing out summer hazards and how to avoid them, in July, and showing how correct coverages are chosen, in October; concluding the direct mail program with a Christmas or New Year's message at the year-end.

For January, he suggested a phone call check to see if the client has received any valuable Christmas gifts that might need insurance, and for May a check of vacation plans for adequate personal property and auto insurance. Mr. Hurd suggested that a personal visit be made in September to review all policies for possible coverage improvement.

Methods of agency continuation were described by John D. Long, insurance professor at Indiana university. He discussed conclusions of a research project which showed that

agency terminations because of death or retirement can be delayed for generations by planning for the inevitable. Property values, he added, can be preserved to the benefit of agents, families, companies and the public. Plans for the continuation of an agency must provide for the contingency of death.

Every plan, even within a family, should involve a formal buy-and-sell agreement for the creation of a market in advance for the transfer of the agency interest, he said. The best prospective recipients of an agent's interest in the business, according to Mr. Long, are co-owners, employees and competitors, in that order. Whenever possible, life insurance should be used to finance the sale and reducing the financial uncertainty.

Mr. Long said the question is reduced to the proposition that every agent who stays in business long enough either has to sell his agency interest or give it away in order for the agency to outlast him. Continuation, therefore, requires new blood to run the agency and a way for such persons to acquire control.

To Try Third Time for Bids on Muskegon City Cover

The city of Muskegon, Mich., is preparing to take bids for the third time on fire coverage of municipal properties appraised for insurance purposes at \$3,100,000. The city commission has authorized the city clerk to advertise for bids, following specifications set up by the city's insurance consultants, Insurance Audit Bureau, of Indianapolis. It is anticipated bids will be received late in May.

Coverage has been on a binder basis since expiration of contracts in October, 1954. The first bids were rejected when the commission decided new appraisals were needed, together with expert advice on types of coverage required.

Bids finally were accepted last summer from the Muskegon Assn. of Insurance Agents and Muskegon Assn. of Mutual Insurance Agents, with the coverage to be divided. An independent agent, Barney Hasper, fought this award and obtained expert opinion that the associations, as such, could not write the business although it had been customary actually to have an association member place the coverage with commissions going to association projects. The commission eventually rescinded its action, after delays, keeping the coverage in force, by binder with the same insurers that had had it previously.

Preferred Postpones Open House

The open house planned by Preferred of Grand Rapids for April 19 has been postponed to a later date. It was found that the April 19 date was not satisfactory.

Preferred has just moved in to its new home office building, and the open house will be for managers of branch offices of foreign companies, executives of Michigan domestic companies, officials of the insurance department, and members of Michigan Bureau of Casualty Companies.

Vermont Agents Card Meeting for May 6-7

Vermont Assn. of Insurance Agents will hold its annual spring meeting May 6-7 at Woodstock Inn, Woodstock. A golf tournament between agents and company men will start the convention the afternoon of May 6, followed by a get-together dinner.

On May 7 committees will report. R. C. Shipley, manager at Portland of National Bureau of Casualty Underwriters, and Samuel J. Hatfield, manager of the Vermont division of New England Fire Insurance Rating Assn. will conduct an agents forum.

The afternoon session will feature H. W. Casler, deputy assistant U. S. manager of North British, on mercantile block policies; Wesley G. Angell, claims manager of Mutual Fire Insurance Assn. of New England, on adjustments, and Frank P. Handley, vice-president of Hartford Accident, on the automobile situation.

Gov. Johnson and Commissioner Miller of Vermont will be guests at the banquet.

Fla. Mutual Agents to Hold Annual Meet May 6-8

Florida Assn. of Mutual Insurance Agents will hold its annual meeting, May 6-8, at the Colonnades hotel, Riviera Beach.

Speakers on the program include Commissioner Larson of Florida; Hugh Donovan, national director of CPCU and president of the Florida chapter; Earl Lamb, president of National Assn. of Mutual Insurance Agents, and Ted Osborn, vice-president of American Manufacturers Mutual.

Also on the program is a 1752 Club forum and roundtable discussion of recent changes in coverages.

State Farm Gets La. OK for Membership Fees

State Farm Mutual Automobile has begun use of its membership fee plan in Louisiana with special adaptations to the requirements of Louisiana law. The plan in use has been fully approved by the state authorities after three years of consideration by the rating commission and the courts.

Simultaneously, State Farm put into effect a 25% deviation from rates fixed by Louisiana Insurance Rating Commission, also with commission approval. State Farm has the lowest renewal rate in the state. Under the approved plan, the membership fee and the first six month premium is combined for a higher initial premium, with renewals semi-annually at 37½% of the fixed annual rate.

Frank Morel Retires After 48 Years With Hosmer & Co.

Frank X. Morel has retired after 48 years with R. W. Hosmer & Co., Chicago general agency. He started his insurance career with the firm when it was first located on La Salle street. A party was held in his honor by his associates at the Saddle & Cycle Club and he was later entertained at a theater party.

Northern of New York Enters Ore. Casualty Field

Northern of New York has entered the casualty field in Oregon with the filing of independent rates effective April 13.

Casualty rates have been filed at 10% below bureau rates and automobile rates at 12% below the bureau level.



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Speakers
pictured at Milwaukee I-Day sessions are, left to right: E. Rhea Hurd Jr. of American Automobile; Richard J. Layton of Rough Notes; John D. Long of



Indiana university, and Allan Calhoun Jr., program chairman. (Picture by John R. Fishdick, executive secretary of Milwaukee Board of Underwriters.)

Health Insurance Assn. Launched at Cincinnati

(CONTINUED FROM PAGE 3)

the benefit of capable and prominent leadership. E. J. Faulkner, Woodman Accident & Life, is president, and Robert R. Neal is general manager. The staff leaders of the bureau and the conference, Joseph Follmann Jr. and John Hanna, respectively, will continue to play leading roles, heading the offices of HIAA in New York and Chicago.

The Cincinnati meeting was organizational in nature. It was not possible to prepare an elaborate program because until enough companies had applied for and been admitted to the new association, no definite action could be taken. About half of the two-day meeting was devoted entirely to the business of getting Health Insurance Assn. started, and most of the remainder was in the nature of congratulatory messages in talks by representatives of other trade associations.

Registration began Wednesday evening simultaneously with a reception sponsored by six Ohio members of HIAA—Inter-Ocean, Midland Mutual Life, National Masonic Provident, Nationwide Mutual, Ohio State Life, and Pioneer Mutual Casualty.

E. J. Faulkner as chairman of Joint Committee on Health Insurance, called the organizational meeting to order Thursday morning. H. Lewis Rietz, Great Southern Life, was elected temporary chairman, and William R. Shands, Life of Virginia, was named temporary secretary.

In his remarks, Mr. Rietz, who is a past president of the conference, said the fine attendance at Cincinnati was evidence of determination by the companies to do a better job for the business and the public. There has been a lack of education of the public of the part insurance plays in the health insurance field, he commented, but at the same time the public is greatly interested in insurance and is using the facilities. There are 100 million persons insured for one kind or another of A&S coverage and these people are becoming increasingly curious about the meaning of advertisements, benefits, exclusions, etc.

The bureau and the conference were intra-industry forums, Mr. Rietz remarked. They played their part within the business during its formative years, but they never had an affirmative approach to public relations. The need for such an approach was recognized and begun under both organizations, and this is one of the areas in which it was realized that a unified program was necessary. The staffs of the conference and the bureau, working daily with the problem, were the first to see this need, Mr. Rietz said. They were unable to get public relations built up to the necessary size because they had inadequate financing for such an activity. The staff of neither the conference nor the bureau was able to speak for the business as whole, and at the same time they were confronted with the failure of some of those in management and recognize the magnitude of the public relations problem.

Mr. Rietz went into some of the history of the approach to a single association, beginning with joint efforts of the two associations and culminating in the formation of Joint Committee on Health Insurance with its task forces and the recommendation finally to establish a new, single trade association.

A. B. Hvale of Continental Casualty, who was chairman of the membership committee in the organization of HIAA, was appointed head of the committee on credentials and the roll of the 243 charter members was called by Mr. Shands.

A number of necessary resolutions were adopted including one forming HIAA as an unincorporated association and adopting a constitution (presented by Millard Bartels of Travelers); report of the membership committee and election to charter membership (Mr. Hvale); report of the finance committee (R. J. Wetterlund, Washington National); organization expense (Mr. Wetterlund). H. Ladd Plumley, State Mutual Life, gave the report of the nominating committee, and the directors and officers were formally elected and introduced. Mr. Faulkner, in his address of acceptance, admitted that his election came as no surprise. In fact, the whole morning session was cut and dried and amounted to nothing but the formality of establishing HIAA. Nevertheless, nearly everyone who registered attended the session throughout and evidenced keen interest and enthusiasm, demonstrating the hopeful spirit which prevailed during the entire meeting.

Mr. Shands was in charge of the afternoon session, which was led off with the announcement of committee appointments by Mr. Faulkner. Frank S. Vanderbrouk, Monarch Life, chairman of the public relations committee, outlined briefly how his group would operate and some of its goals. A more complete rundown on the functioning of Health Insurance Assn. as a whole was given by Mr. Neal, who emphasized the importance to the association of starting off with the advantage of the trained staffs of the bureau and conference. Robert L. Hogg, vice-chairman of Equitable Society, spoke on "The Association—A Means to Progress."

Organization meetings of the standing committees occupied the whole of Friday morning. Subcommittees were named and definite programs set up.

The concluding session featured talks by Dr. George Lull, secretary and general manager of American Medical Assn.; J. Dewey Dorsett, general manager of Assn. of Casualty & Surety Companies, and Walter Williams, under secretary of commerce, whose talk was entitled "Economic Health Is No Accident."

Probably because the Cincinnati meeting was chiefly business in nature, and consisted of no dealings with outside problems, the social program was heavier than most. This gave the membership a chance to get acquainted, an item of value since the conference and bureau membership was not identical and there are in addition members of HIAA who did not belong to either organization. Wednesday evening there was a reception, and the luncheon Thursday was buffet. Thursday evening there was a banquet with entertainment and dancing and the Friday luncheon was utilized to introduce an impressive list of visitors from other trade associations who were on hand, including American Life Convention, American Medical Assn., Assn. of Casualty & Surety Companies, Canadian Life Officers Assn., U. S. Chamber of Commerce, Institute of Home Office Underwriters, Institute of Life Insurance, Insurance Economics Society, International Assn. of A&H Underwriters, International Claim Assn., Life Insurance Assn., LIAMA, Life Insurers Conference, Life

HEALTH INSURANCE ASSN. OFFICERS

President—E. J. Faulkner, president of Woodmen Accident & Life.

Vice-president—J. Henry Smith, vice-president and associate actuary of Equitable Society.

Secretary—William R. Shands, vice-president and general counsel of Life of Virginia.

Chairman public relations committee—Frank S. Vanderbrouk, president of Monarch Life.

Directors—(Terms expire 1959) Millard Bartels, Travelers; Leslie P. Hemry, American Mutual Liability; J. C. Higdon, Business Men's Assurance; Paul Laymon, Standard Accident; R. J. Wetterlund, Washington National. (Terms expire 1958) Frank L. Harrington, Massachusetts Protective; Moses G. Hubbard, Commercial Travelers Mutual Accident, Utica; Armand Sommer, Continental Casualty; Harry J. Stewart, West Coast Life; Travis T. Wallace, Great American Reserve. (Terms expire 1957) Edwin W. Craig, National Life & Accident; Reinhard A. Hohaus, Metropolitan Life; J. W. Scherr Jr., Inter-Ocean; V. J. Skutt, Mutual Benefit H.&A.; G. N. Watson, Crown Life of Toronto.

Office Management Assn., and Research Council for Economic Security. Commissioners attending were Sheehan of Minnesota, Pansing of Nebraska, Knowlton of New Hampshire, Pryatel of Ohio, Gillooly of West Virginia and Navarre of Michigan.

The outlook at the Cincinnati meeting was constructive throughout. Speakers spent no time lamenting the demise of the bureau and conference, pointing out that these organizations had had their day and done their job and the time had come for something new and better. The feeling was that whatever the bureau or conference had done could be done a good deal more effectively with the larger single association. In HIAA, the membership of

the bureau is almost 100% intact and by far the great majority of the conference members also belong. The welding of the two staffs into a single unit provides that none of the effectiveness of either of the former organizations will be lost; and in fact much more can be expected through the pooling of so much talent.

Despite the fact that there was little more to do in Cincinnati than go through the motions of electing and installing officers, plus whatever the committees were able to accomplish, and listening to a number of congratulatory speeches, the program was well organized, kept on schedule, and kept the spirit of looking forward to what should and can be done.



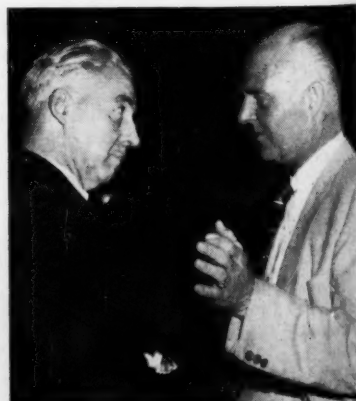
At the Health Insurance Assn. meeting in Cincinnati: Neil J. Brown of Hartford Accident, former chairman of the governing committee of Bureau of A&H Underwriters, and Daniel H. Quigg of Hartford Accident.



Miss Marie Meade of the staff of Health Insurance Assn. with E. A. McCord of Illinois Mutual Casualty, chairman of the membership and ethical standards committee, and Mrs. McCord, at the meeting of HIAA in Cincinnati.



Between sessions of the organization of Health Insurance Assn. in Cincinnati, E. H. O'Connor, managing director of Insurance Economics Society, with G. Blair Hiser, executive vice-president and general attorney of United of Chicago.



V. J. Skutt, president of Mutual Benefit H.&A., in an animated discussion during the meeting of Health Insurance Assn. with Commissioner Joseph A. Navarre of Michigan.

Program Completed for Parley of North Carolina Agents

Commissioner Gold of North Carolina will discuss the effect of the state's 1955 legislation on the insurance business at the meeting of North Carolina Assn. of Insurance Agents which will be held May 17-19 at Pinehurst.

Opening day talks will include greetings from Gloria B. McClintock of Charlotte, president of Insurance Women's Assn. of North Carolina, and a discussion of effective selling to meet direct writer competition by Archie M. Slawsky of Nashua, N. H., executive committeeman of NAIA. A meeting of directors and a past presidents dinner are also scheduled for the first day.

After Mr. Gold's talk, John V. Addy, vice-president of Appleton & Cox, will discuss local agency business.

E. Fred McPhail of Charlotte will moderate a workshop session the second afternoon. Panelists will be William S. Bizzell, manager of North Carolina Fire Insurance Rating Bureau, William F. Laughlin, manager of Compensation Rating & Inspection Bureau, Richard S. Brantley, assistant executive secretary of the association, Frank R. Bell Jr. of Charleston, W. Va., chairman of Southern Agents Conference, W. H. Mill, manager of the Charlotte office of Factory Insurance Association, and Earl C. Trefrey of Atlanta and William H. Wilcox of Charlotte, representing Employers group. Mr. Trefrey and Mr. Wilcox will discuss package policy development.

New officers will be elected at the business session the morning of the final day and will be installed that evening by Commissioner Gold at a banquet.

Windstorm Sweeps Birmingham Area

The windstorm which swept through the Birmingham, Ala., area caused property damage which will run several hundred thousand dollars. However, damage was not extensive enough to cause National Board to assign a catastrophe number, indicating losses will run less than \$1 million.

In the community of McDonald's Chapel near Birmingham, 25 to 30 homes were destroyed; at Sandusky, 45 houses were destroyed; at New Georgia, 11 homes were levelled, 20 were severely damaged and 25 had minor damage, and at Sayreton, 20 homes were destroyed and 30 damaged. Fires broke out in the wrecked homes at McDonald's Chapel and hundreds of automobiles were damaged.

Storms also struck in the Tuscaloosa area in western Alabama and hail caused considerable damage. At Huntsville a windstorm damaged roofs and windows in the downtown business section and unroofed a bank building.

Burt Seeks to Sue to Recover Assets of Central Standard

SIOUX FALLS—Commissioner Burt of South Dakota has filed a petition in circuit court here seeking permission to institute suit for the recovery of assets of Central Standard, which he says were wrongfully converted. Mr. Burt wants to start action in New York.

In his petition, Mr. Burt said some of the assets were wrongfully converted by persons and/or corporations outside of South Dakota include: \$250,000 evidenced by certificate of deposit dated June 30, 1955, issued by the Atlantic Bank of New York, on which payment by that bank has been refused; \$200,000 disbursed April 1, 1955, to Limestone Corp.; \$1,181,000 disbursed May 31, 1955, to Royal American of Huntsville, Ala.; \$750,000 paid to Royal American in redemption of certificate of contribution, and \$150,000 represented by certificate of contribution to Northwest Underwriters Inc.

Mr. Burt says he requested officers and directors of Central Standard in New York to furnish all records of Central Standard in their possession, and this request was denied and the proper accounting for such disbursements has not been made.

Tex. Approves Optional Three-Year Rate for Small WC Policies

AUSTIN—Texas board of insurance commissioners has approved optional use of three-year fixed rate workmen's compensation and employers liability policies on and after July 1. The department took the action with the hope of more nearly fitting the clerical cost of handling small risks with annual premiums of \$100 or less into the current expense allowance in WC rates.

The three-year policy program has three distinctive factors: Manual rates in effect on the inception date of the policy apply throughout the term; a discount of \$10 is allowed where the full three-year premium is paid in advance, and a flat \$15 charge is made for short rate cancellation.

There are about 19,000 small risks in Texas representing 27.5% of the total number of risks and about 1.3% of the total premium volume.

Sullivan Seeks Reelection as Wash. Commissioner

Commissioner William A. Sullivan of Washington has announced his candidacy for reelection.

Mr. Sullivan was elected to his first term in the Roosevelt landslide of 1932 and has been reelected ever since. He is a past-president of National Assn. of Insurance Commissioners and chairman of zone 6.



The Philadelphia metropolitan office of North America receives both the Diemand trophy and standard of service office performance award from President John A. Diemand. The Diemand trophy goes to the service office of North America Indemnity which shows the best all-around excellence in operations. The standard of service award is given each year to the service office that best meets the pre-set standards covering production, agency expansion and expense control. Shown above holding the Diemand award are Herbert P. Stellwagen (left), indemnity executive vice-president, and William P. Arnold, metropolitan manager. Others, left to right, are E. Sydenham Page, metropolitan general manager; James M. Crawford, indemnity vice-president; Dr. Diemand and Reginald S. Robins, indemnity vice-president.

Brown Brothers Managers to Attend NAIA Convention

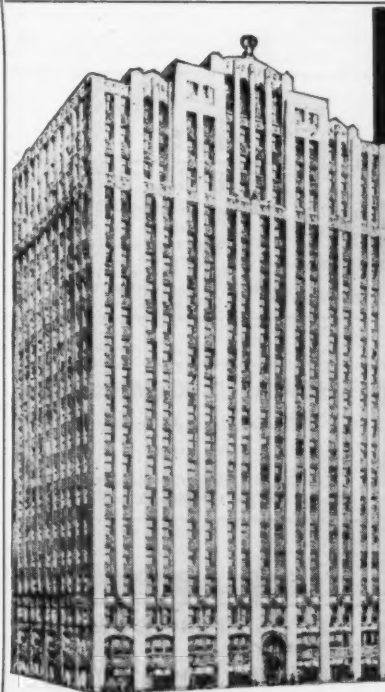
Ted D. Brown, general manager of Brown Brothers Adjusters, Randy Horworth, general manager for southern California and Vernon Neufeld, manager of the Fresno office will attend the NAIA convention at Miami Beach on May 3-6.

Enroute and on the return trip they plan to call on the companies they have been representing in Colorado, Nebraska, Iowa, Texas, Arkansas, Oklahoma, Georgia and Florida.

CORRECTION

Birmingham Fire is not a member of Siebels, Bruce & Co. group, contrary to the way it was identified in a recent issue. The company is an independent insurer, though it has reinsurance connections with Siebels, Bruce.

Insurance Society of Philadelphia will hold its annual fun day at Melrose county club, June 7.



JACKSON FRANKLIN BUILDING

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AT FRANKLIN STREET

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AIR CONDITIONED OFFICE SPACE
ENTIRE 22nd (TOP) Floor
Approx. 5900 Sq. Ft.

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office accommodations
—AT REASONABLE RENTALS

Owner will remodel to suit

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Tenanted by leading Fire and Casualty Insurance Companies, the Jackson-Franklin Building offers the ultimate in fine executive and general office accommodations, at substantial savings in rental. Companies with leases expiring soon will find it profitable to obtain our plans and rental information.

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Ark. Rating Bureau Elects Tate Chairman

(CONTINUED FROM PAGE 8)

stated. "Although use of the installment plan has been temporarily difficult for some agents, resulting in an increase in the number of non-approvals, it is believed that withdrawal of the annual renewal plan was well-

comed by a large majority of companies and agents."

At the annual bureau luncheon, attended by all Arkansas field men and officers and executive committee members of Arkansas Assn. of Insur-

ance Agents, Kenneth Black, president of Home, briefly outlined the plans of the stock companies to establish a nuclear reactor syndicate for insuring private power company reactor installations in the future. Present capacity of the syndicate is \$60 million for any one installation, he said, but with the aid of foreign reinsurance, it is hoped to increase this capacity to \$75 million. "We will learn to live with the atom just as we did the steam boiler years ago," he said, describing some of the difficulties in arriving at proper insuring terms for atomic reactor coverage.

John Raines, president of Arkansas State Fire Prevention Assn., gave the audience an illustrated report of the association's town inspection work since last fall, showing pictures of inspection activities in McGehee, Nashville, Fordyce and West Memphis. Mr. Franzen presented the association's annual past-president's award to A. Roy Atwood of Little Rock, immediate past-president of the association. In a brief "retirement" address, Mr. Franzen praised the work of the bureau staff and counsel and the efforts of W. Ross McCain Jr., state agent of Phoenix of Hartford and retiring chairman of the bureau's local Arkansas executive committee. Mr. McCain gave up the post on his transfer to Texas by his company.

Rufus Cates, state agent of Hartford Fire, was named chairman of the local executive committee to succeed Mr. McCain; W. D. Painter special agent of Royal-Liverpool, was elected vice-chairman. Other members of the bureau's local committee are: D. Swan, state agent of Springfield F&M; C. C. Collie of the L. B. Leigh general agency; Knox Oates, state agent of Home; A. M. Anderson of Anderson & Newell general agency; R. P. Taylor of Bird, Lange & Maris general agency; George R. Hampton of John R. Hampton & Co. general agency, and Irel J. Reaves, state agent of Crum & Forster. All are from Little Rock.

In addition to Messrs. Tate, Beebe, Weaver and Franzen, the membership of the bureau's governing committee are: Harry Miller, U.S. manager of Commercial Union; Frank Ludington, western department manager of Atlas; Louis P. Jervey, vice-president and manager of America Fore at Atlanta; Walter J. Beeson, vice-president of Great American; J. G. Levey, southwestern department manager of American; E. H. Clarkson, vice-president of National Fire, and T. Morgan Williams, vice-president of Home.

code numbers to dwelling policies. Farm Underwriters Assn. is considering making a rate differential on rolled roofing. Of 16 items on the agenda in 1955, Mr. Flood said that five were okayed, while three others still are under consideration. He added that the Western Underwriters Assn. committee was most generous and cooperative.

Reporting as a member of the NAIA casualty committee, P. J. Walsh urged members to send in the casualty questionnaires before the meeting of that committee in New York in May.

Maurice Hartson Jr., of New Orleans, NAIA executive committee member, in "Our Changing Times" observed that the old complaint of agents about the slowness of the insurance business to change has now become a complaint over the rapidity of change. He warned against unsound changes intended to secure a temporary advantage and said that the association-member agents should have no part of such practices. Mr. Hartson deplored the "buy it wholesale" trend of trade groups and urged agents to bring to the attention of NAIA proposals made to trade groups with special rates on a group basis. Insurance companies which are calling to the services rendered by local agents were praised by Mr. Hartson. He asked agents to do their part to support the idea locally. On the question of price competition, he said that name brands outsell unknown brands. It is the job of the independent agents to convince the public that quality insurance, in the long run, is the best buy.

Three workshops were held during the convention. Mr. Walsh conducted the casualty section; John F. Mergen of Denver was the marine leader, and Mr. Flood was moderator of the fire workshop.

As is customary at conference meetings, the three state commissioners appeared, with Taft of Wyoming up first. He discussed the Inland Empire receivership, and said the special deposits required by 15 states hastened the demise of the company and held up the settlement of claims. Mr. Taft said he favored more uniform laws.

Mr. Apodaca of New Mexico took sharp issue with this. His state requires both general and special deposits and he said it was common sense to keep the deposits in New Mexico for the protection of the policyholders.

Commissioner Beery of Colorado said that the 711 companies licensed in Colorado are a lot for eight examiners to look after and asked agents to help. They can do this by careful examination of company annual statements submitted March 1 of each year, which are public property. In the majority of company failures, he said, the companies were licensed up to 24 hours before going into receivership.

A golf tournament Saturday afternoon was cancelled because of a combination of rain, sleet, snow and hail, which limited participation to a few hardy golfers. Saturday evening a hospitality hour preceded the banquet and entertainment followed.

Jerry Haggard of Albuquerque, retiring conference chairman, presided at the banquet.

Pugh Joins Newell General Agency

Robert Pugh, Spokane manager for General of Seattle, has joined George C. Newell Co. general agency of Seattle as Spokane manager.

Mr. Pugh had been with General for 13 years, the past three years in charge of the Spokane office. He will travel the eastern Washington and northern Idaho territory for the Newell company.

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Agents Elect at Annuals

(CONTINUED FROM PAGE 1)

Denver, with a major in insurance. The annual institute of insurance will be held at the University of Colorado, Boulder, July 19-21, with emphasis on "Package Selling."

Holden Boler, who handles the Colorado advertising program, said a survey showed that people are conscious of the term *insuror*, but do not yet know what it means. He recommended a five-year program to remedy this.

President Walsh said that the reason for changing the association meeting date from fall to spring was because the majority of 300 replies received in a survey showed that agents preferred it at that time.

At the conference meeting, Barney Flood, chairman of the nine-man company contact committee of the conference, reported that progress is being made on many fronts. The committee asked for approval of a farm policy like 49 D & E and got it, he said. National Board has consented to assign

Complete Texts of FTC, NAIC Rules on A&S Advertising Are Compared

The full text of the rules to govern A&S advertising which have been proposed by federal trade commission are presented below. After each FTC rule, the comparable provision of the A&S advertising code promulgated by National Assn. of Insurance Commissioners is shown in italics. FTC will hold a hearing in Washington April 30 on its rules.

Definitions.

A. "Advertisement," for the purpose of these rules, shall mean any of the following material when used in connection with solicitation of the original purchase of a policy, or renewal or reinstatement thereof:

Section 1. Definitions.

A. An advertisement for the purpose of these rules shall include:

(1) Any printed and published material and descriptive literature, statements, or depictions of an insurer used in newspapers, magazines, radio and TV scripts or presentations, billboards, and similar displays; and

(1) *printed and published material and descriptive literature of an insurer used in newspapers, magazines, radio and TV scripts, billboards and similar displays; and*

(2) Descriptive literature and sales aids of all kinds issued by an insurer for presentation to members of the public, including, but not limited to, circulars, leaflets, booklets, depictions, illustrations, and form letters; and

(2) *Identical*

(3) Prepared sales talks, presentations, and material of all kinds for use by agents and brokers, and representations made by agents and brokers in accordance therewith.

(3) *"Of all kinds" inserted, otherwise identical.*

B. "Policy," for the purpose of these rules, shall include any policy, plan, certificate, contract, agreement, statement of coverage, rider or endorsement, which provides accident or sickness benefits, or medical, surgical, or hospital expense benefits, whether on a cash indemnity, reimbursement, or service basis, except when issued in connection with another kind of insurance other than life, and except disability and double indemnity benefits included in life insurance and annuity contracts.

B. Substituted "connection" for "conjunction, and inserted "other than life, and except disability and double indemnity benefits included in life insurance and annuity contracts," otherwise identical.

C. "Insurer," for the purpose of these rules, shall include any individual, corporation, association, partnership, reciprocal exchange, inter-insurer, Lloyds, fraternal benefit society, and any other legal entity, engaged in the advertisement of a policy as herein defined. These rules shall also apply to agents and brokers to the extent that they are responsible for the advertisement of any policy.

C. *Insurer for the purpose of these rules shall include any individual, agent, broker, corporation, association, partnership, reciprocal exchange, inter-insurer, Lloyds, fraternal benefit society, and any other legal entity engaged in the advertisement of a policy as herein defined.*

Rule 1. Deception in General
Section 2. Advertisements in General
It is an unfair trade practice for an insurer to use or cause to be used any advertisement which has the capacity and tendency or effect of misleading or deceiving purchasers or prospective purchasers.

(Note: Words or phrases, the meaning of which is clear only by implication or by familiarity with insurance terminology, are subject to this rule.)

Advertisements shall be truthful and not misleading in fact or in implication. Words or phrases the meaning of which is clear only by implication or by familiarity with insurance terminology shall not be used.

Rule 2. Advertisements of benefits, losses covered, or premiums payable.
Section 3. Insert "payable" after "benefits," otherwise identical.

It is an unfair trade practice for an insurer to use, or cause to be used, in any advertisement, words, phrases, or illustrations which mislead or have

the capacity and tendency or effect of misleading or deceiving purchasers or prospective purchasers with respect to any policy benefit or benefits, loss or losses covered, or premium or premiums payable.

A. Deceptive words, phrases or illustrations.

Words, phrases or illustrations shall not be used in a manner which misleads or have the capacity and tendency to deceive as to the extent of any policy benefit payable, loss covered or premium payable. An advertisement relating to any policy benefit payable, loss covered or premium payable shall be sufficiently complete and clear as to avoid deception or the capacity and tendency to deceive.

(a) It is an unfair trade practice for an insurer to use, or cause to be used, in any advertisement, words or phrases such as "all," "full," "complete," "comprehensive," "unlimited," "this policy will pay your hospital and surgical bills," "This policy will replace your income," or words or phrases of similar import in connection with losses covered or benefits which are subject to exceptions, reductions, or limitations, unless such exceptions, reductions, or limitations are disclosed in accordance with the requirements of Rules 3 and 5.

(b) It is an unfair trade practice for an insurer to use, or cause to be used, in any advertisement, such words or phrases as "up to," "as high as," etc.,

in connection with dollar amounts payable for medical, hospital, surgical, or other expenses, or for loss of income, unless full indemnification is provided up to such amounts for expenses actually incurred, or income actually lost by a policyholder, or there is a disclosure in accordance with the requirements of Rules 3 and 5 that the amount payable will be pursuant to a schedule of payments for specified expenses or for loss of income, and a similar disclosure of such other exceptions, reductions, or limitations as may be required by Rule 3.

Explanations:

(1) The words and phrases "all," "full," "complete," "comprehensive," "unlimited," "up to," "as high as," "this policy will pay your hospital and surgical bills" or "this policy will replace your income," or similar words and phrases shall not be used so as to exaggerate any benefit beyond the terms of the policy, but may be used only in such manner as fairly to describe such benefit.

(c) It is an unfair trade practice for an insurer to use, or cause to be used, any advertisement in which a policy covering only one disease or a list of specified diseases is described in such a manner as to imply coverage beyond the terms of the policy, or in which synonymous words or terms are used to refer to any disease or physical condition so as to imply broader coverage than is the fact.

(2) A policy covering only one disease or a list of specified diseases shall not be advertised so as to imply coverage beyond the terms of the policy. Synonymous terms shall not be used to refer to any disease so as to imply broader coverage than is the fact.

(d) It is an unfair trade practice for

(CONTINUED ON NEXT PAGE)

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.... faster and easier with an "ideal" connection. A company whose dependability for outstanding cooperation can greatly enhance your prestige and the value of your service to your community.



★ The Royal Exchange, established 236 years ago, is well known for its outstanding service.

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ROYAL EXCHANGE ASSURANCE

PROVIDENT FIRE INSURANCE COMPANY
THE STATE ASSURANCE COMPANY, LTD.
CAR AND GENERAL INSURANCE CORP., LTD.



Fire, Marine, Casualty
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Representatives in Principal Cities and Towns of the United States and in Most Countries Throughout the World.

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WANT ADS

Rates—\$20 per inch per insertion—1 inch minimum—sold in units of half-inches. Limit—40 words per inch. Deadline 5 P. M. Friday in Chicago office—175 W. Jackson Blvd. Individuals placing ads are requested to make payment in advance.

THE NATIONAL UNDERWRITER

OHIO OPPORTUNITY

Our continuing growth in the Ohio field requires the addition of two men between 28 and 38 who have predominately fire insurance backgrounds for field work in northern and central Ohio operating out of our Columbus Office. A successful record of field production in Ohio would be helpful although this is not absolutely essential. This is a career opportunity. We are a 114 year old Marine & Fire Company group and are looking for better than average men intending to pay better than average salaries. Write giving full experience details, and information concerning family and military standing to Box L-93, National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

CLAIMS SUPERVISOR—PERSONAL INJURY ASSISTANT CLAIMS SUPERVISOR PERSONAL INJURY ADJUSTERS CLAIMS EXAMINER (Home Office)

We have immediate openings in our Chicago and Springfield, Illinois offices for men 25-40 who are anxious to become associated with a progressive stock casualty company.

We offer excellent opportunity for advancement with liberal salary, group insurance plan, and other employee benefits.

Write and tell us about yourself; Interviews will be arranged on the basis of information contained in your first letter.

LINCOLN CASUALTY CO.
500 E. Capitol Avenue Springfield, Illinois

HOOSIER FIELDMAN

We offer the usual Health & Accident, Life Insurance, Paid Vacation, Dependency Coverage, Retirement Program, plus limited stock purchase privilege.

We want an experienced multiple-line fieldman to travel Northern Indiana. This position created by our expanding program. Reply to: FREEPORT INSURANCE COMPANY, Box 60, Freeport, Illinois.

EXCELLENT OPPORTUNITY

for a young man who has been an account executive or insurance manager, and has a comprehensive knowledge of all lines of insurance, to join one of the largest insurance agencies in the Southwest as an account executive servicing and developing large accounts with interesting and complex insurance problems. Automobile furnished, Group Life and Hospitalization Insurance, double paid vacation, annual bonus, credit union, and other employee benefits. Salary commensurate with knowledge and ability. Reply Box L-92, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

BOND UNDERWRITERS

Excellent opportunities in new ultra modern building; merit increase program, liberal benefits, pleasant working conditions, 36 1/4 hours.

LUMBERMENS MUTUAL CASUALTY COMPANY

a division of
Kemper Insurance
Beechwood Road, Summit, N. J.
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PALM BEACH, FLORIDA

Office Manager—Small General Agency
Desire man 50-55 years of age. Excellent opportunity for semi-retired person. Starting salary \$3600 per year. Plenty of time allowed to arrange personal affairs. If interested write James K. Siebrecht P.O. Box 309, Palm Beach, Florida.

WANTED

AN AGENCY SUPERINTENDENT

We are a fast-growing, Ohio casualty and fire insurance company interested in securing the services of an agency superintendent. He must be between the ages of 28 and 42, college trained and have had good field and underwriting and sales experience with a reliable company. We deem this to be an excellent opportunity for the qualified individual. Salary is open. We have wonderful employee benefits and retirement program.

Replies to this ad will be treated with the strictest confidence. Please give your age, education and experience. Reply to Box M-14, c/o The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

INSURANCE DEPARTMENT ASSISTANT

An excellent position for a young (22-26) insurance man to grow with an expanding and diversified organization. This man will assist in administration of group, annuity, and corporate insurance. As he becomes familiar with the company's operation including all the phases of corporate insurance, his responsibilities will expand. This man will be a college graduate and have one-to-two years experience in fire and casualty insurance. Reply: THE BRUNSWICK-BALKE-COLLINDER COMPANY, 623 South Wabash, Chicago, Ill., WA 2-4020. Mr. L. Lewis.

ASSISTANT COMPTROLLER

Unusual opportunity for managing accountant with leading casualty and fire insurance company. Must have broad supervisory experience and a present salary of not less than \$9,000. Insurance accounting experience desirable but not absolutely necessary. Replies will be held in strict confidence. Address Box M-7, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

POLICY WRITING

or any type of insurance work in Chicago that can be done at my home. Can arrange to have work picked up and returned to your office regularly. 30 years experience. Excellent references. Address M-3, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

COOK COUNTY FIELDMAN WANTED

Established Fire or Marine Fieldman wanted by large Stock Group for expanding Cook County operation. Give complete experience details in your reply. Our staff is aware of this ad. Write Box M-4, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

FLORIDA OPPORTUNITY

Opening for
SPECIAL AGENT, preferably with multiple line experience, in Southeast. State age and general qualifications first letter.
George C. Hays, State Agent
American Indemnity Co.
Broderick Building Lakeland, Florida

WANTED

Retired or Employed man with some Fire Insurance experience for Part time work with insurance agency in Western Suburb of Chicago. Address reply to Box M-12, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

AVAILABLE

As Fidelity-Surety-Superintendent. Twelve years in first party work—claims and underwriting. Prefer Eastern territory. Qualifications on request. Write Box #M-16, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

(CONTINUED FROM PRECEDING PAGE)
an insurer to use, or cause to be used, any advertisement in which representation is made as to the benefits of a policy which pays varying amounts for the same loss occurring under different conditions or which pays benefits only when a loss occurs under certain conditions without disclosing the limited conditions in accordance with the requirements of Rule 5.

(3) The benefits of a policy which pays varying amounts for the same loss occurring under different conditions or which pays benefits only when a loss occurs under certain conditions shall not be advertised without disclosing the limited conditions under which the benefits referred to are provided by the policy.

(e) It is an unfair trade practice for an insurer to use, or cause to be used, in any advertisement, phrases such as "This policy pays \$1,800 for hospital room and board expenses" without disclosure of the maximum daily benefit and the maximum time limit for such hospital room and board expenses and without disclosure of any other exceptions, reductions, or limitations in accordance with the requirements of Rules 3 and 5.

(4) Phrases such as "this policy pays \$1,800 for hospital room and board expenses" are incomplete without indicating the maximum daily benefit and the maximum time limit for hospital room and board expenses.

Rule 3. Disclosure as to exceptions, reductions, and limitations.

B...Exceptions, reductions and limitations.

(a) It is an unfair trade practice for an insurer to use, or cause to be used, any advertisement which refers to any dollar amount, period of time for which any benefit is payable, cost of policy, or specific policy benefit or benefits or the loss or losses for which such benefit or benefits are payable, without disclosing, in accordance with the requirements of Rule 5, the exceptions, reductions, and limitations relating thereto without which the advertisement would have the capacity and tendency or effect of misleading or deceiving purchasers or prospective purchasers.

When an advertisement refers to any dollar amount, period of time for which any benefit is payable, cost of policy, or specific policy benefit or the loss for which such benefit is payable, it shall also disclose those exceptions, reductions and limitations affecting the basic provisions of the policy without which the advertisement would have the capacity and tendency to mislead or deceive.

(Note 1: The term "exception" shall mean any provision in a policy whereby coverage for a specified hazard is entirely eliminated; it is a statement of a risk not assumed under the policy.)

Explanation:
Insert words "Note 1:" and parentheses, otherwise identical.

(Note 2: The term "reduction" shall mean any provision which reduces the amount of the benefit; a risk of loss is assumed but payment upon the occurrence of such loss is limited to some amount or period less than would be

otherwise payable had such reduction clause not been used.)

(2) Insert words "Note 2:" and parentheses, otherwise identical.

(Note 3: The term "limitation" shall mean any provision which restricts the duration or extent of coverage, losses covered, or benefits payable under the policy other than an exception or a reduction.)

(3) The term "limitation" shall mean any provision which restricts coverage under the policy other than an exception or a reduction.

(b) It is an unfair trade practice for an insurer to use, or cause to be used, any advertisement covered by this rule when, by the terms of the policy advertised, there is a time period between the effective date of the policy and the effective date of coverage under the policy, or a time period between the date a loss occurs and the date benefits begin to accrue for such loss, without disclosing the same in accordance with the requirements of Rule 5.

(4) Waiting, elimination, probationary or similar periods.

When a policy contains a time period between the effective date of the policy and the effective date of coverage under the policy or a time period between the date a loss occurs and the date benefits begin to accrue for such a loss, an advertisement covered by Section 3B shall disclose the existence of such periods.

(c) It is an unfair trade practice for an insurer to use, or cause to be used, any advertisement covered by Rule 3 (a) without disclosing, in accordance with the requirements of Rule 5, the extent to which any loss is not covered if the cause of such loss is traceable to a condition existing prior to the effective date of the policy.

(5) Pre-existing conditions.
(a) An advertisement covered by section 3 B shall disclose the extent to which any loss is not covered if the cause of such loss is traceable to a condition existing prior to the effective date of the policy.

(d) It is an unfair trade practice for an insurer to use or cause to be used any advertisement representing or implying—

(1) That the condition of the insured's health at the time of issuance of the policy will not be considered by the insurer in determining its liability thereunder; or

(2) That the insurer will not, as a claims practice, require proof of good health of the insured at the time of the issuance of the policy—when such is not the fact.

(b) When a policy does not cover losses traceable to pre-existing conditions no advertisement of the policy shall state or imply that the applicant's physical condition or medical history will not affect the issuance of the policy or payment of a claim thereunder. This limits the use of the phrase "no medical examination required" and phrases of similar import.

Rule 4. Disclosure of policy provisions relating to renewability, cancellability, or termination.

Section 4. Necessity for disclosing policy provisions relating to renewability, cancellability and termination.

It is an unfair trade practice for an insurer to use, or cause to be used, any advertisement which refers, directly, or by implication, to renewability, cancellability, or termination of a policy, or which contains a statement or illustration of time or age in connection with benefit or benefits payable,

CASUALTY UNDERWRITER

Multiple Line Mutual just starting in Casualty Field needs top Underwriter with at least 3 years Casualty experience. Excellent growth opportunity—Profit Sharing Plan. Write to R. H. Wise, Personnel Manager, Grain Dealers Mutual Insurance Company, 1752 North Meridian Street, Indianapolis 7, Indiana.

loss or losses, eligibility of applicants, or continuation of a policy, unless there is a disclosure in accordance with Rule 5 of the provisions relating to renewability, cancellability, and termination, and to modification of benefits, losses covered, or premiums because of age, or for other reasons.

An advertisement which refers to renewability, cancellability or termination of a policy, or which refers to a policy benefit, or which states or illustrates time or age in connection with eligibility of applicants or continuation of the policy, shall disclose the provisions relating to renewability, cancellability and termination and any modification of benefits, losses covered or premiums because of age or for other reasons, in a manner which shall not minimize or render obscure the qualifying conditions.

Rule 5. Method of disclosure of required information.

Section 5. Identical

It is an unfair trade practice for an insurer to fail to disclose in any advertisement the information required by these rules conspicuously and prominently, and in sufficiently close conjunction with the statement or representation to which such required information relates as will relieve the representation of deception or the capacity to deceive, or to minimize or present such required information in an ambiguous fashion or intermingle it with the context of the advertising so as to be confusing or misleading.

All information required to be disclosed by these rules shall be set out conspicuously and in close conjunction with the statements to which such information relates or under appropriate captions of such prominence that it shall not be minimized, rendered obscure or presented in an ambiguous fashion or intermingled with the context of the advertisement so as to be confusing or misleading.

Rule 6. Testimonials.

Section 6. Identical

It is an unfair trade practice for an insurer to use, or cause to be used, any advertisement containing a testimonial unless such testimonial is genuine, accurately describes the facts, represents the current opinion of the author, is applicable to the policy advertised, and is accurately reproduced.

(Note: The insurer, in using a testimonial in an advertisement, makes as its own all of the statements contained therein, and the advertisements including such statements are subject to all of the provisions of these rules.)

Testimonials used in advertisements must be genuine, represent the current opinion of the author, be applicable to the policy advertised and be accurately reproduced. The insurer, in using a testimonial, makes as its own all of the statements contained therein, and the advertisement including such statements is subject to all of the provisions of these rules.

Rule 7. Deceptive use of statistics.

Section 7. Use of statistics.

It is an unfair trade practice for an insurer to use, or cause to be used, any advertisement in which representations are made as to dollar amounts of claims paid, the number of persons insured, or other statistical information relating to any insurer or policy unless it accurately reflects all of the relevant facts and does not imply that such statistics are derived from the policy advertised unless such is the fact.

An advertisement relating to the dollar amounts of claims paid, the

number of persons insured, or similar statistical information relating to any insurer or policy shall not be used unless it accurately reflects all of the relevant facts. Such an advertisement shall not imply that such statistics are derived from the policy advertised unless such is the fact.

Rule 8. Availability of policy or refund of premiums.

Section 8. Inspection of policy.

It is an unfair trade practice for an insurer to use, or cause to be used, any advertisement which has the capacity and tendency or effect of misleading or deceiving purchasers or prospective purchasers even though the policy advertised is made available to the insured prior to the consummation of the sale or an offer is made of a premium refund.

An offer in an advertisement of free inspection of a policy or offer of a premium refund is not a cure for misleading or deceptive statements contained in such advertisement.

Rule 9. Identification of plan or number of policies.

Section 9. Identical.

(a) It is an unfair trade practice for an insurer to use, or cause to be used, any advertisement in which a choice of the amount of benefits is offered without disclosing that the amount of benefits provided depends upon the plan selected and that the premium will vary with the amount of the benefits.

A. When a choice of the amount of benefits is referred to, an advertisement shall disclose that the amount of benefits provided depends upon the plan selected and that the premium will vary with the amount of the benefits.

(b) It is an unfair trade practice for an insurer to use, or cause to be used, any advertisement which refers to various benefits which may be contained in two or more policies, other than group master policies, without disclosing that such benefits are provided only through a combination of such policies.

B. When an advertisement refers to various benefits which may be contained in two or more policies, other than group master policies, the advertisement shall disclose that such benefits are provided only through a combination of such policies.

Rule 10. Disparagement.

Section 10. Disparaging comparisons and statements.

It is an unfair trade practice for an insurer to use, or cause to be used, any advertisement which, directly or indirectly, falsely disparages competitors, their policies, services, or business methods.

An advertisement shall not directly or indirectly make unfair or incomplete comparisons of policies or benefits or otherwise falsely disparage competitors, their policies, services or business methods.

(The FTC rules have no section pertaining to jurisdictional licensing.

The NAIC Section 11 follows:

Jurisdictional Licensing.

A. An advertisement which is intended to be seen or heard beyond the limits of the jurisdiction in which the insurer is licensed shall not imply licensing beyond those limits.

B. Such advertisements by direct mail insurers shall indicate that the insurer is licensed in a specified state or states only, or is not licensed in a specified state or states, by use of some language such as "This company is licensed only in state A" or "This

company is not licensed in state B."

Rule 11. Deceptive use of trade names, service marks, etc.

Section 12. Identity of insurer.

It is an unfair trade practice for an insurer to use, or cause to be used, in any advertisement, a trade name, service mark, slogan, symbol, or other device which has the capacity and tendency or effect of misleading or deceiving purchasers or prospective purchasers as to the true identity of the insurer or its relation with public or other private institutions.

The identity of the insurer shall be made clear in all of its advertisements. An advertisement shall not use a trade name, service mark, slogan, symbol or other device which has the capacity and tendency to mislead or deceive as to the true identity of the insurer.

Rule 12. Deception as to "group" or "quasi-group" policies.

Section 13. Group or quasi-group implications.

It is an unfair trade practice for an insurer to use, or cause to be used, any advertisement in which a representation is made, directly or by implication, that prospective policyholders become group or quasi-group members and as such enjoy special rates or privileges ordinarily associated with group insurance as recognized in the industry, unless such is the fact.

An advertisement of a particular policy shall not state or imply that prospective policyholders become group or quasi-group members and as such enjoy special rates or underwriting privileges, unless such is the fact.

Rule 13. Deception as to introductory, initial, or special offers.

Section 14. Introductory, initial or special offers.

It is an unfair trade practice for an insurer to use, or cause to be used, any advertisement in which representation is made, directly or by implication, that a particular policy or combination of policies is an introductory, initial or special offer and that applicants will receive advantages not available at a later date, unless such is the fact.

An advertisement shall not state or imply that a particular policy or combination of policies is an introductory, initial or special offer and that the applicant will receive advantages by accepting the offer, unless such is the fact.

Rule 14. Misrepresentation as to approval or endorsement of advertisements or policies.

Section 15. Approval or endorsement by third parties.

It is an unfair trade practice for an insurer to use, or cause to be used, any advertisement in which a representation is made, directly or by implication:

(1) That an insurer, or a policy or advertisement thereof, has been approved by, or an insurer's financial condition has been examined and found to be satisfactory by, any governmental agency, unless such is the fact:

A. An advertisement shall not state or imply that an insurer or a policy has been approved or an insurer's financial condition has been examined and found to be satisfactory by a governmental agency, unless such is the fact.

(2) That an insurer, or a policy or advertisement thereof, has been approved or endorsed by any individual, group of individuals, society, association, or other organization, unless such is the fact.

B. An advertisement shall not state

or imply that an insurer or a policy has been approved or endorsed by any individual, group of individuals, society, association or other organization, unless such is the fact.

Rule 15. Misrepresentation as to payment of claims.

Section 16. Service facilities.

It is an unfair trade practice for an insurer to use, or cause to be used, any advertisement in which a representation is made, directly or by implication, which has the capacity and tendency or effect of misleading or deceiving purchasers or prospective purchasers with respect to:

(1) The time limit within which claims are paid;

(2) The dollar amount of claims paid or the number of claims paid under a particular policy;

(3) The liberality and generosity beyond the terms of the policy in settlement of claims.

An advertisement shall not contain untrue statements with respect to the time within which claims are paid or statements which imply that claim settlements will be liberal or generous beyond the terms of the policy.

Rule 16. Misrepresentation concerning the insurer.

Section 17. Statements about an insurer.

It is an unfair trade practice for an insurer to use, or cause to be used, any advertisement which, directly or by implication, has the capacity and tendency or effect of misleading or deceiving purchasers or prospective purchasers with respect to the insurer's assets, corporate structure, financial standing, age, or relative position in the insurance business.

An advertisement shall not contain statements which are untrue in fact or by implication misleading with respect to the insurer's assets, corporate structure, financial standing, age or relative position in the insurance business.

La. Department PR Man Released

A public relations man who is being paid \$400 a month to represent the casualty and surety division of the Louisiana department has had his contract terminated. A resolution adopted by the department said Jack Gould, the PR man, is a member of the public relations firm of Gould, Bliden & Manley, which handles several accounts for state officials and others, and that Mr. Gould is employed by International News Service as a news reporter, but actually works on space rates only, and that Mr. Gould or his firm "is an employee of the State Farm Mutual Automobile of Bloomington, Ill., and as such has attended practically all the hearings and court proceedings involving a controversy between the company and the Louisiana rating officials and secretary of state, including the casualty and surety division of the Louisiana insurance rating commission, for the purpose of writing and causing to be published news accounts of said proceedings ..."

Two Named by Standard Accident

Standard Accident and Planet have appointed Donald R. Thompson claim manager at Baltimore, and Winfred S. Nelson has joined the Chicago office as supervising safety engineer.

Mr. Thompson started with Standard Accident at Richmond in 1953. In 1955 he was transferred to Baltimore in a similar capacity. Mr. Nelson has served with other midwestern and eastern companies.

Kenosha (Wis.) Assn. of Insurance Women at the April meeting heard a report on the regional convention at Des Moines and made plans for a bosses' night dinner, April 30, at Kenosha Yacht club.

Rev. Morris Loses Preferred Risk Injunction Suit

DES MOINES.—Federal Judge N. Davies of North Dakota has denied a temporary injunction against the officers of Preferred Risk Mutual as sought by the Rev. Sam Morris of San Antonio, president of the company. Rev. Morris had filed a \$1 million damage suit against a group of the officers, asked for \$31,000 in back salary, and had asked for the injunction to restrain the officers from taking any actions except "routine matters."

Preferred Risk Mutual, which limits its policyholders to non-drinkers, was formed in 1947 and at the end of last year had assets listed at \$5,210,000.

Prior to the hearing on the injunction suit the major officers of the company, Bernard Mercer, vice-president; J. J. Mallon, secretary; and William N. Plymat, treasurer, filed affidavits to show they had surrendered to the company their interests in eight subsidiary corporations, five of which are insurance agencies. The officers along with Rev. Morris had financial control of the various corporations.

David E. Shapard of Oklahoma City Okla., attorney for Rev. Morris, argued at the hearing that the company officers had employed persons who drink intoxicants without the knowledge of the president while the growth of the company's business was "primarily through his influence."

The attorney contended that the hiring of drinkers and "other acts of mismanagement will eventually cause the downfall of this company."

The attorney also charged the other officers with "illegal and improper activities," but Judge Davies asked Shapard how long Rev. Morris had been president and was told he had served in that capacity since the firm was founded. The judge then asked if Rev. Morris had presided at board meetings and was paid a salary and expenses and when told that he did, the judge asked:

"And he doesn't know what is going on in his own company?"

The attorney then charged that the Rev. Morris had been "misled."

Herschel G. Langdon, representing the defendant officers, charged that the Rev. Morris did not come into the court with "clean hands."

Mr. Langdon said that "in each and every instance, the president, Rev. Morris, has been a party to the actions ascribed to company officials and received the same benefits and signed reports to the insurance commissioner."

Mr. Langdon pointed out that the other officers had turned their stock in the subsidiary corporations over to the company but "Morris has not."

Judge Davies in denying the applications for the injunction noted that the insurance commissioner was conducting an investigation of the company.

N. Y. Compulsory Auto Bill Signed by Governor

(CONTINUED FROM PAGE 1)

before Jan. 1, 1956.

- Any order, regulation or decision of the insurance superintendent is subject to judicial review, under the civil practices act. Presently statutory authorization for judicial review is confined to instances specifically provided for in the law.

- Advance premium cooperatives

may write homeowners or comprehensive dwelling policies if the burglary and theft, glass, and liability are re-insured in an authorized insurer.

- Public adjusters must get a written memorandum from insured signed by insured specifying the amount of compensation. The definition of public adjuster is understood to include brokers who adjust losses for insured for a fee.

- Brokers may act as public adjusters in certain cases. This would not apply to employees, agents or brokers of insurers who act in adjustment of claims without compensation. Agents and brokers are prohibited from advertising or publicly soliciting adjustments in a way to mislead the public into belief they are public adjusters.

- After an A&S policy has been in force two years the statements made by insured in the application and policy are incontestable. Previously the period was three years. Insurers did not contest the bill, but they objected to the fact that the bill becomes effective when the governor signs it and they were not given time to file revised forms.

- When a hospital service corporation sets up a contingency reserve, the premium paid for reinsurance, if approved by the insurance superintendent, can be deducted from the reserve.

- An A&S or life policy sold by vending machine and requiring signature of insured would be void unless a notice is posted on the machine in letters a half inch high or higher stating that signature of insured to the policy at the time of purchase is necessary.

Ohio Agents Conduct Regional at Canton

The eighth district conference of Ohio Assn. of insurance agents was conducted this week at Canton. Harold Broda, president of the Canton board, presided. The program included a talk on mercantile block coverage by Ray W. Kapp, state agent of Phoenix of Hartford; a business meeting presided over by L. T. Powell, Mansfield, past president of the Ohio Assn., and a talk by Ivan Steiner, Jr., a trustee of the state association.

Mr. Steiner presided at the banquet, at which a talk on "The Future of Your Agency" was given by Hugh K. Dawson, Cleveland, president of the Ohio Assn.

Wis. to Hold Agent Exams

MADISON.—The Wisconsin department will hold written examinations in 12 cities on May 5 for new agents in fire, casualty and specialized lines. The examinations are required under Wisconsin's new agent's qualifications law for full-time and part-time agents licensed after Oct. 31, 1955. Those licensed prior to that date are exempt under a grandfather clause.

The examinations will be conducted by department deputies at Green Bay, Oshkosh, Rhinelander, Rice Lake, Superior, Racine, Milwaukee, Madison, Platteville, Eau Claire, LaCrosse and Stevens Point. The examination fee is \$5.

Town mutual representatives are specifically exempt from the examination.

Federation of New York Insurance Women's Clubs held its annual convention April 13-15 at Hotel Onondaga, Syracuse. Miss Charlotte Lozier of Poughkeepsie is president. Honorary chairman of the convention was Miss Virginia Davies, president of Syracuse Insurance Women's Assn. Mrs. Melanie Kreuzer, president of Syracuse common council, spoke on women in government at the annual banquet.

Plan Speed Up of Texas Insurer Solvency Check

AUSTIN.—Necessary revisions to meet practical conditions in the "solvency call" program of the Texas department were announced last week by J. Byron Saunders, chairman, and Fladger F. Tannery, president of the Texas Society of CPAs, to offset rumors of any "weakening" in administering the plan.

The announced exceptions to the "full check" program are:

- At department discretion, deferment of certification by an independent public accountant may be permitted if the company has in recent weeks been examined by the board examiners or if the company is currently being examined. This policy was adopted to prevent duplication of work and expense to the company.

- At department discretion, a company may be given permission to delay for a short period certification by an independent accountant, provided, however, the company files written evidence that an audit is in progress—or arrangements had been made to start it—and gives a definite date as to when the audit will be completed.

Mr. Saunders said the necessity for big Texas companies to have their certifications promptly in order to operate in other states makes it necessary to speed up the program. It requires many months to audit a large company, which would carry the job beyond the May 31 deadline.

About 15 of the 500 companies already relicensed have been granted their licenses under one of the exceptions; 20 companies have been found wanting and closed down since Jan. 1, and only about 50 financial statements or questionnaires have been returned to the companies for either major or minor corrections.

Ore. OKs Free Insurance with Auto Purchase

Commissioner Taylor of Oregon has ruled that the free accident coverage offered by American Motors and Studebaker-Packard in the sale of new cars is not a violation of the Oregon code.

Oregon Assn. of Insurance Agents had protested the offer as a contravention of the law applying to rebate of premium. Mr. Taylor advised the association that the code does not prevent persons who are not agents from paying someone else's premium.

Associated Gets Lincoln Franchise

Lincoln, Neb., city council has approved an agreement with Associated Aviation Underwriters under which Associated gets the concession to sell air travel accident policies through dispensing machines at the municipal airport. The city will receive 13% of the gross. The plan has been in operation for several months and the city is getting about \$40 monthly.

Plan to Separate La. Insurance, Secretary of State Offices

BATON ROUGE.—In confirmation of persistent rumors, formal announcement was made last week that a proposal to separate the offices of Louisiana insurance commissioner and secretary of state—the two posts now held by Wade O. Martin Jr.—would be submitted at the next session of the legislature May 15.

"I shall oppose with dignity and vigor all proposed changes in the jurisdiction of the secretary of state's office which I believe contrary to the public interest," said Mr. Martin following the announcement. Henry Larcade, senator-elect of St. Landry parish, will sponsor the measure.

While Earl K. Long, governor-elect, did not say he favored the change, he recently commented that he did not oppose it. He pointed out that he had endorsed Mr. Martin for re-election as secretary of state. Mr. Martin won the election by a 15 to 1 majority.

"I am glad to see that the secretary of state has adopted a fighting attitude," Mr. Long added. "Probably he won't get on so many (gubernatorial) tickets from now on. I think everybody ought to have a little opposition now and then; it helps them. I'm sure Martin's obstacles will help develop him. I'm not trying to throw any brickbats at Martin. He has always been very co-operative with me. Nothing that I might do toward the state insurance commissioner's post he holds will be personally directed at him."

Mr. Martin is a former president of National Assn. of Insurance Commissioners.

Inland Empire Fire Underwriters to Hold Educational Meetings

The educational committees of Inland Empire Fire Underwriters Assn. have scheduled a series of spring educational meetings for agents in eastern Washington and Idaho.

The Idaho committee headed by Robert Benson of National Union, and consisting of Hylan King of Royal-Liverpool, William Norby of American, and Hugh Duffield of Springfield F&M, will meet with the agents associations of Kootenai county in Coeur d'Alene, April 17; Shoshone county in Kellogg, April 18; and Nex Perce county in Lewiston, April 19. Topics will include the comprehensive dwelling policy, all physical loss form and new and better sales methods. Mr. Benson said that although the homeowners forms are not yet admitted in Idaho, the committee will discuss them if the agents so desire.

The Washington committee, including William Eagle of Cravens, Dargan & Co., F. J. O'Connor of America Fore, James McTigue of Hartford Fire and Douglas V. Iler of Phoenix of Hartford, has scheduled meetings with agents in Pullman, April 23; Walla Walla, April 24; Kennewick, April 25, and Ephrata, April 26. Topics to be discussed are agency management, homeowners policies and time element coverages.

Late News Bulletins . . .

(CONTINUED FROM PAGE 3)

home office production department. Subsequently he became manager of the personnel department.

Since joining the company in 1933, Mr. Morrison served in the casualty claim department, becoming manager in 1951. He is a member of the bar.

Fire Losses Increase in March

Fire losses in the U. S. during March amounted to \$89,315,000, according to National Board. This is an increase of 1.3% over March, 1955.

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175 W. Jackson

SAN FRANCISCO
100 Bush St.

LOS ANGELES
1139 W. 6th

LOYALTY GROUP

FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY

DECEMBER 31, 1955

ASSETS		LIABILITIES	
Cash	\$ 5,406,999.79	Reserve for Losses	\$ 18,710,827.16
Mortgage Loans on Real Estate	946,030.04	Reserve for Loss Expenses	1,621,400.00
*Bonds and Stocks	162,401,031.61	Reserve for Unearned Premiums	52,622,853.30
Interest due and accrued	236,182.94	Reserve for Taxes and Expenses	3,290,258.00
Agents and Departmental Balances	3,803,131.44	Funds held under Reinsurance	
Real Estate	3,086,000.00	Treaties	5,845,871.38
Equity in Marine and Foreign Insurance Pools	9,721,363.59	All other Liabilities	1,261,182.18
All other Assets	1,365,827.61	Capital	15,000,000.00
Total admitted Assets	\$186,966,567.02	Net Surplus	88,614,175.00
		Total	\$186,966,567.02

SURPLUS TO POLICYHOLDERS \$103,614,175.00

Securities carried at \$3,808,805.91 in the above statement are deposited as required by law.

GIRARD INSURANCE COMPANY OF PHILADELPHIA, PA.

DECEMBER 31, 1955

ASSETS		LIABILITIES	
Cash	\$ 534,201.96	Reserve for Losses	\$ 1,954,862.54
Mortgage Loans on Real Estate	1,283.32	Reserve for Loss Expenses	169,400.00
*Bonds and Stocks	14,240,435.20	Reserve for Unearned Premiums	5,864,044.20
Interest due and accrued	46,379.76	Reserve for Taxes and Expenses	382,318.00
Agents and Departmental Balances	178,165.49	All other Liabilities	17,574.18
Real Estate	150,000.00	Capital	1,000,000.00
All other Assets	262,765.55	Net Surplus	6,025,032.36
Total admitted assets	\$15,413,231.28	Total	\$15,413,231.28

SURPLUS TO POLICYHOLDERS \$7,025,032.36

Securities carried at \$795,543.41 in the above statement are deposited as required by law.

NATIONAL-BEN FRANKLIN INSURANCE COMPANY OF PITTSBURGH, PA.

DECEMBER 31, 1955

ASSETS		LIABILITIES	
Cash	\$ 851,570.55	Reserve for Losses	\$ 1,954,862.54
*Bonds and Stocks	13,320,277.37	Reserve for Loss Expenses	169,400.00
Interest due and accrued	37,914.18	Reserve for Unearned Premiums	5,497,910.04
Agents and Departmental Balances	1,749,124.28	Reserve for Taxes and Expenses	387,418.00
Real Estate	66,000.00	All other Liabilities	17,574.18
All other Assets	132,584.55	Capital	2,000,000.00
Total admitted Assets	\$16,157,470.93	Net Surplus	6,130,306.17
		Total	\$16,157,470.93

SURPLUS TO POLICYHOLDERS \$8,130,306.17

Securities carried at \$1,956,902.96 in the above statement are deposited as required by law.

MILWAUKEE INSURANCE COMPANY OF MILWAUKEE, WIS.

DECEMBER 31, 1955

ASSETS		LIABILITIES	
Cash	\$ 1,089,155.22	Reserve for Losses	\$ 5,306,055.46
Mortgage Loans on Real Estate	332,501.95	Reserve for Loss Expenses	459,800.00
*Bonds and Stocks	38,550,037.75	Reserve for Unearned Premiums	14,922,898.69
Interest due and accrued	99,954.84	Reserve for Taxes and Expenses	1,252,806.00
Agents and Departmental Balances	2,885,992.37	All other Liabilities	59,161.50
All other Assets	410,264.17	Capital	3,000,000.00
Total admitted Assets	\$43,367,906.30	Net Surplus	18,367,184.65
		Total	\$43,367,906.30

SURPLUS TO POLICYHOLDERS \$21,367,184.65

Securities carried at \$2,955,430.82 in the above statement are deposited as required by law.

ROYAL GENERAL INSURANCE COMPANY OF CANADA

DECEMBER 31, 1955

ASSETS		LIABILITIES	
Cash	\$ 39,031.74	Reserve for Taxes and Expenses	\$ 3,980.86
Bonds and Stocks	404,536.14	Capital	100,000.00
Interest Due and Accrued	2,945.21	Net Surplus	353,917.08
Agents and Departmental Balances	11,384.85		
Total admitted Assets	\$457,897.94	Total	\$457,897.94

SURPLUS TO POLICYHOLDERS \$453,917.08

Securities carried at \$55,720.22 in the above statement are deposited as required by law.

THE METROPOLITAN CASUALTY INSURANCE COMPANY OF NEW YORK

DECEMBER 31, 1955

ASSETS		LIABILITIES	
Cash	\$ 2,050,054.59	Reserve for Losses	\$19,529,061.00
Mortgage Loans on Real Estate	13,788.26	Reserve for Unearned Premiums	13,846,779.68
*Bonds and Stocks	48,966,786.82	Reserve for Loss Expenses	2,247,095.00
Interest due and accrued	167,466.15	Reserve for Taxes and Expenses	1,647,113.89
Agents and Departmental Balances	3,509,949.53	Funds held under Reinsurance	
Equity in Marine and Foreign Insurance Pools	150,789.49	Treaties	197,366.55
All other Assets	231,563.29	All other Liabilities	167,463.00
Total admitted Assets	\$55,090,398.13	Capital	3,000,000.00
		Net Surplus	14,455,519.01
		Total	\$55,090,398.13

SURPLUS TO POLICYHOLDERS \$17,455,519.01

Securities carried at \$4,426,379.84 in the above statement are deposited as required by law.

COMMERCIAL INSURANCE COMPANY OF NEWARK, N. J.

DECEMBER 31, 1955

ASSETS		LIABILITIES	
Cash	\$ 1,902,307.91	Reserve for Losses	\$24,001,921.00
Mortgage Loans on Real Estate	432,972.54	Reserve for Loss Expenses	2,664,267.00
*Bonds and Stocks	58,149,018.36	Reserve for Unearned Premiums	16,372,985.52
Interest due and accrued	175,081.72	Reserve for Taxes and Expenses	1,656,825.00
Agents and Departmental Balances	3,718,871.79	Funds held under reinsurance	
Equity in Marine and Foreign Insurance Pools	156,973.17	Treaties	663,218.89
All other Assets	276,839.35	All other Liabilities	119,854.37
Total admitted Assets	\$64,812,064.84	Capital	3,000,000.00
		Net Surplus	16,332,993.06
		Total	\$64,812,064.84

SURPLUS TO POLICYHOLDERS \$19,332,993.06

Securities carried at \$1,691,171.13 in the above statement are deposited as required by law.

*Valuations on basis prescribed by National Association of Insurance Commissioners

HOME OFFICE

10 PARK PLACE, NEWARK 1, NEW JERSEY

Foreign Department

102 Maiden Lane, New York 5, New York
206 Sansome St., San Francisco 4, Calif.

Western Department
120 So. LaSalle St., Chicago 3, Illinois

Southwestern Department
912 Commerce St., Dallas 22, Texas

Pacific Department
220 Bush St., San Francisco 6, Calif.

Canadian Departments
800 Bay St., Toronto 2, Ontario
535 Homer St., Vancouver 3, B. C.